DEVELOPMENT AGREEMENT

This Development Agreement (the "Agreement") is made this [___] day of May 2022 ("Effective Date"), by and between the City of Riverside ("City") in the State of California, ("State"), a municipal corporation and SiFi Networks Riverside LLC, a Delaware limited liability company ("SiFi") (each of City and SiFi, a "Party" and collectively, the "Parties").

RECITALS

WHEREAS the City desires to implement a fiber-optic network System (as defined below) for community benefit in the City and SiFi desires to install such a System;

WHEREAS SiFi owns the rights to the FOCUS (as defined below) proprietary fiber optic cable System technology; and

WHEREAS the City has agreed to grant to SiFi all necessary rights to access and use the Public Way to install, operate, and maintain the System,

NOW, THEREFORE, in consideration of the mutual obligations of the Parties, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

SECTION 1

1. **Definition of Terms**.

1.1 <u>Terms</u>. For the purpose of this Agreement, the following terms, phrases, words, and abbreviations shall have the meanings ascribed to them below.

"Access" means facilitation of all necessary City permits encroachments and/or license and/or lease agreements for specified areas within the Public Way.

"**Boundary**" means the legal boundaries of the City as of the Effective Date, and any additions or subtractions to the City legal boundaries, by annexation or other legal means.

"**Cabinets**" means above ground enclosures placed within the Public Way for the protection of active and passive equipment for the provision of Service throughout the System and as further described in Exhibit A.

"**Chambers**" means underground enclosures placed within the Public Way facilitating access to the active and passive equipment for the provision of Service throughout the System.

"Commencement Date" means the date that Substantial Completion, as that term is defined herein, of the System has been achieved.

"Construction" means breaking ground for the installation of the System.

"**Construction Contractor**" or "**Contractor**" means the construction company(ies) performing the physical work.

"**Drop**" means the fiber optic cable run from the edge of the Public Way (as defined below) to the Premises Wall.

"**Facility**" means the secure spaces that the City agrees to make available to SiFi during the Term for the installation of Shelters and Cabinets.

"FOCUS" means SiFi's trademarked FOCUS[™] system including the patented Wastewater Fiber Technology, know-how and other proprietary rights, comprising, among other things a combination of blown fiber, aerial, wastewater and other conventional techniques to enable multi gigabit technologies.

"FON" means SiFi's fiber optic network built by utilizing a combination of blown fiber, , which may also include FOCUSTM design, as well as electronics to enable multi gigabit technologies.

"Hazardous Materials" means (i) any hazardous or toxic wastes, substances, or materials, and any other pollutants or contaminants, which are regulated by any applicable local, state or federal laws.

"**Home**" means a residential single-family dwelling, or a residential single dwelling unit located within a Multiple Dwelling Unit, located within the Boundary.

"**Multiple Dwelling Unit**" means an apartment building or other building containing more than four dwelling units located within the Boundary.

"Microtrenching" means the process of cutting a trench with a dry cut machine and reinstated with cementitious slurry fill as further described in Section 4.1.1.

"**Pass**" or "**Passes**" means the duct or Chamber as parts of the System has reached to the curbside of a residential Primary Premise, or the engineered point at or near a commercial Premises from which a Drop can be connected.

"Person" means any natural person or any association, firm, partnership, joint venture,

corporation, limited liability company, or other legally recognized entity, whether for profit or not for profit, but shall not mean the City or SiFi.

"**Premises**" means a Home, Multiple Dwelling Unit, office or other building located within the Boundary.

"Premises Wall" means the exterior of an outside wall of a Premises to which the fiber optic cable can be terminated.

"**Primary Premises**" means the Premises within the Boundary as of the Effective Date but excluding any Premises which SiFi cannot connect (i) because of a lack of a right to access and use the Public Way due to the City not possessing the right, title, interest or authority to permit SiFi to use and occupy the Public Way in order for SiFi to access such Premises, or (ii) because SiFi lack of a right to access any non-City owned property within the Boundary in order to access such Premises, or (iii) if there would be an incremental material cost to connect such Premises would be at least ten percent (10%) higher than the average cost to connect accessible by SiFi Primary Premises within the Boundary, or (iv) where such Premises already have a pre-existing fiber service available to them and do not desire SiFi to connect such Premises. SiFi shall not be required or obligated to make the System available to such Primary Premises described in (i) through (iv) in this definition and Substantial Completion determination shall not be impacted as a result.

"**Public Way**" shall mean the surface of, and the space above and below, any now existing or future: public street, road, highway, parkway, driveway, lane, path, court, sidewalk, alley, boulevard, traffic signals, public way, or other public right of way located thereon now or hereafter held by, granted or dedicated to or under the jurisdiction of the City within the Boundary. For the avoidance of doubt, the term "Public Way" shall also mean any easement now or hereafter held by the City within the Boundary for the purpose of public travel, or for public service use dedicated for compatible uses and shall include all other easements or rights of way held by the City within the Boundary.

"**Release**" when used with respect to Hazardous Material means any actual or imminent spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, dumping, or disposing into or inside any existing improvements or any improvements constructed hereunder, including the System.

"Service" means internet, voice, data, and video service or any combination thereof, provided by the City or another Service Provider over the System.

"Service Providers" means any entity, which enters into a contract with SiFi to provide Services over the System.

"Shelter" means the above ground facility housing System equipment as further described in Section 4.2 and in Exhibit A hereto.

"**Subscriber**" means any Person (which for purposes of this definition shall include the City) that has entered into an agreement to receive or otherwise lawfully receives Service from a Service Provider.

"Substantial Completion" means the date on which, the System has been installed such that it Passes the addresses of each of the Primary Premises and the System is capable of providing Service to each such Primary Premises (but for the lack of a Drop) or four (4) years post Construction being commenced, whichever event occurs first; provided, however, in the event that Substantial Completion is deemed to have occurred due to the expiration of four (4) years post Construction being commenced, SiFi shall use commercially reasonable efforts to complete, subject to the conditions in the proviso above, such construction as is necessary to provide service to all Primary Premises within a commercially reasonable time.

"System" means all parts of the FON system under and above ground in the City that is designed to support the delivery of Service to Subscribers, including the fiber optic cable and its component parts and appurtenances, and the other cables, wires, components, facilities, Cabinets, ducts, conduits, connectors, Shelters, Chambers, manholes, manhole covers, pedestals, appliances, splitters, attachments, and other property, equipment, components, materials, apparatus and appurtenances to the FON system.

"Confidential Information" all information clearly marked by either party or is considered "Confidential Information" as a matter of law regarding the System, including plans, drawings, designs, conceptual renderings, cost information, specifications, photographs, reports, manuals, and other documents.

SECTION 2

2. <u>Grant of Authority</u>.

2.1 Grant of Rights.

2.1.1 SiFi Rights to Public Way. This Agreement sets forth the basic terms and conditions upon which SiFi is granted authority to install the System in the Public Way. The particular terms and location of each portion of the System shall be specified in the applicable permit as described in Section 3.2 Permits and General Obligations. The City hereby grants and conveys to SiFi the full right, power and authority to erect, install, construct, repair, replace, reconstruct, maintain, operate or retain in, on, over, under, upon, across, or along any Public Way, the System including, wires, cables, facilities, Cabinets, components, materials, apparatus ducts, conduits, connectors, vaults, manholes, manhole covers, pedestals, appliances, splitters, pots, attachments, and other related property or equipment as may be necessary or appurtenant to the System, within the Boundary, and all extensions and additions thereto. SiFi shall have the right, subject to City approval of the applicable permit in compliance with City of Riverside municipal code and ordinances, which approval shall not be unreasonably withheld to determine the final engineering design and location, including but not limited to depth, width, and height, of all equipment and other parts of the System. Both Parties agree to cooperate during the design and permitting process and SiFi must first disclose all engineering designs to the City for permit approval. Notwithstanding the foregoing, installation of the System and use of the Public Way is subject to the applicable permit for a specific location. It is understood that SiFi's right to place the System is non-exclusive, but that upon issuance of the applicable permit, the area specified therein shall be exclusive for the System, subject to the terms and conditions of this Agreement.

2.1.2 <u>Abandonment of the System upon Termination of</u> <u>Agreement</u>. Upon the expiration or termination of this Agreement, SiFi shall have the right, but not the obligation, to remove from or abandon in place all or any part of the System in the Public Way. Any part of the system abandoned by SiFi as described in this agreement shall become the property of the City. Within ninety (90) days or as soon as possible thereafter of the expiration or termination of this Agreement, SiFi must notify the City in writing of its intent not to abandon the System. Failure to provide such written notice within ninety (90) days will not be deemed abandonment. The System may only be abandoned and shall be deemed abandoned when so affirmatively confirmed in writing executed by SiFi. However, in the event SiFi does not provide written consent or fails to respond after written inquiry or request by the City within two years of the expiration or termination of this Agreement, the System or part thereof shall be deemed abandoned by SiFi.

2.2 <u>Term of Agreement</u>. This Agreement shall become effective upon the execution and delivery of this Agreement by the Parties (the "Effective Date"). The term of this Agreement shall commence on Commencement Date and run until 11:59 p.m. on the date that is thirty (30) years after the Commencement Date (the "Initial Term"). Following the Initial Term, this Agreement shall automatically renew for two additional terms of thirty (30) years each commencing on the thirtieth (30th) anniversary and on the sixtieth (60th) anniversary of the Commencement Date, respectively (each, a "Renewal Term," and, collectively with the Initial Term, the "Term") unless SiFi provides written notice to the City of its intent not to renew at least one hundred eighty (180) days prior to end of the Initial Term. If SiFi elects to not renew this Agreement, SiFi shall provide the City with system details, architecture, documentation, subscriber information, and service information.

2.3 <u>License</u>.

(i) City hereby grants and conveys to SiFi, and its licensees, successors, lessees, transferees, and assigns, a license ("License") to enter and occupy portions of the City's Public Way and/or City-owned land including for up to six (6) specific locations as further described in Section 4.2, which locations will be mutually agreed upon in good faith between the City and Licensee (the "License Area"), for the purposes of erecting, installing, constructing, operating, repairing, replacing, reconstructing, removing, maintaining, using and retaining said System, including, without limitation, wires, cables, ducts, conduits, connectors, vaults, handholes, handhole covers, fencing, pedestals, appliances, splitters, attachments, and other property, equipment, components, materials, apparatus and appurtenances to the System and the Facilities (the "Improvements"). This License is subject to easements, covenants, conditions, and regulations in existence as of the date hereof.

(ii) Subject to easements, covenants, conditions, and regulations in existence as of the date hereof, SiFi shall be permitted to make such alterations to the License Area as are reasonably necessary to erect, install, construct, repair, replace, reconstruct, remove, maintain, operate, and use, the System. SiFi shall be responsible for all costs incurred in the alterations. All construction, installation, maintenance and repair of the License Area shall be conducted so as to interfere as little as practicable with City's use and operation of the Public Way. The installation of the System and alterations by SiFi in the License Area shall be done in a good and workmanlike manner by competent personnel or contractors, in conformity with all applicable permits, licenses, ordinances, laws and regulations, and free from any liens for labor or materials. Any damage to the License Area caused by reason of the exercise of SiFi's rights hereunder shall be corrected within a reasonable time by SiFi at its sole cost and expense.

(iii) SiFi will maintain the Improvements in accordance with this Agreement.

(iv) SiFi shall not install or construct any other structures or improvements other than the Improvements and associated appurtenances described herein.

(v) The Improvements installed within the License Area by SiFi shall be made at no expense to City. SiFi shall be responsible, and assume all costs, for any relocation or protection of any part of the System in the event the relocation or protection of the System is necessary due to changes in any Public Way at any time during the term of this Agreement.

(vi) City, at its sole cost, shall operate, maintain, and repair the Public Way in a manner that avoids damage or adverse affects to the System and the License Area with the exception of utility or infrastructure emergency repairs.

(vii) City, its agents, or assigns, or any utility company or City franchisee may at any time, enter upon the License Area, except for the Shelter locations, covered by this Agreement for the purpose of installing, maintaining, relocating, altering, enlarging, repairing, or inspecting any utility, facility, or public work thereon; provided that City will be liable to and will indemnity SiFi for any damages to the System, Improvements and Facilities.

(viii) SiFi shall restore damaged or disturbed surfaces or underground utilities such as but not limited to traffic signal loops at or adjacent to the License Area to substantially the same as the original condition. Restoration shall be carried out immediately after construction. Any damage not repaired to the satisfaction of the City shall be a cause to suspend any operations within the City's limits by the party causing the damage until the repairs are satisfactory to the City.

(ix) The System and all of its parts and components which are installed and constructed by SiFi in the License Area shall at all times be and remain the property of SiFi.

(x) City shall not install or construct, or permit the installation or construction of, any structures, improvements or obstructions on, over, or under, the License Area that interfere with SiFi Network' access to, use and possession of the License Area, nor shall City otherwise impede, disturb, interfere with, or restrict, SiFi's access to, use and possession of, the License Area.

(xi) The terms, conditions and rights contained herein shall be covenants running with the land and shall remain in effect for as long as the Agreement remains in effect. The terms and conditions contained herein shall bind, inure to the benefit of, and be enforceable by, City and SiFi, and their respective successors and assigns (including, without limitation, any and all successors to City in title to all or any portion of the Public Way).

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2.4 **Exclusivity**. Until after the first anniversary of the Effective Date, the City shall not solicit, accept offers from or enter into an agreement with any third party regarding any competing fiber optic cable system within the City's Boundary, subject to any obligation or requirements imposed upon the City in its capacity as a land use authority under federal or state law or regulation. Notwithstanding the above, the City may allow installation of fiber optic cables by any franchisee of the State's Public Utility Commission and/or an established internet service provider with an existing, as of the Effective Date, franchise agreement with the City or with the State to operate within the City.

2.5 Efficient Permitting Process.

2.5.1 During the Term, the City requires, and Licensee must obtain a street opening permit for each construction zone ("Zone") to be issued to SiFi and/or its contractors for all construction work on the System within the Public Way. The City acknowledges and agrees that in order for SiFi to perform its obligations under this Agreement, time is of the essence in connection with permitting, licensing, and approval of the System and each Zone. Accordingly, the City agrees to a two phase initial System and/or Zone design to meet the City's engineering standards and requirements, which will be the first phase, followed by a permit issuance and construction phase, which will be the second phase. For the first phase, the City will review and respond within a 60-day period during the initial system design per Zone in order to establish and set construction with all applications for permits by SiFi and/or its contractors in connection with this Agreement for each Zone, the general process and approximate timeframes for review are:

(i) The City shall within five (5) business days of submittal by SiFi and/or its contractors of an application or other request for a permit in connection with this Agreement provide an electronic completeness check as an acknowledgment; and

(ii) The City shall within fifteen (15) business days of submittal by SiFi and/or its contractors of an application or other request for a permit in connection with this Agreement acknowledge electronically that such application is properly submitted and complete, or in the event such application is not properly submitted and complete, provide SiFi and/or its contractors with required corrections. Upon addressing any such corrections, the City shall undertake subsequent reviews as needed of the application within five (5) business days until the application has been approved.

(iii) The City shall after all street opening permit application corrections have been addressed to the satisfaction of the City, provide final approval and issue any necessary approval or permits to SiFi and/or its contractors within forty (40) business days thereafter.

2.5.2 The engineering details provided in Exhibit A are the typical details that may or may not change during the final engineering design process.

2.5.3 Nothing herein shall be construed as a promise, warranty, or guarantee of approval of any permit, license, or other land use approval which may be required. Provided that no permit, license, or other land use approval of any other approval requested by or required if SiFi shall be unreasonably withheld, conditioned or delayed. Furthermore, SiFi shall have no liability for and shall not be deemed to be in breach of any of its obligations hereunder, if the necessary permits, licenses or approvals are not issued or are issued but not timely by the City.

2.5.4 Such permitting process shall be facilitated by the City's single point of contact ("SPOC"). The SPOC in the City will be responsible for facilitating and expediting the plan check, permitting process, inspections and communicating with SiFi and its contractors, the City Council, and the general public regarding the construction process and progress. The annual cost and expense to the City associated with employing, training, and retaining a SPOC and for any City contractor actually performing plan check, permitting process, or inspections on behalf of the City shall be reimbursed by SiFi, through Substantial Completion of the System, at a cost of up to eight thousand three hundred thirty three dollars thirty-three cents (\$8,333.33) per month for the SPOC and not to exceed an additional one hundred fifty thousand (\$150,000) per year if the City contracts with external resources to adhere to the review and approval timeline, but only with thirty (30) days' prior written notice to and consent by SiFi, to perform its obligations under the efficient permitting process and shall be included in the invoices from the City under Section 2.6 ("SPOC Costs").

2.6 <u>Invoices and Payments – Monthly Reimbursable Amounts.</u> Beginning with the first business day of the month following the first permit application submitted by SiFi, on a monthly basis the City will invoice SiFi for actual fees incurred by the City during the previous month including the SPOC Costs and costs of City staff or staff augmentation fees for administering plan check, permit review, or inspection services of this agreement and the Efficient Permitting Process described in Section 2.5 above, plan check fees, encroachment permit fees, inspection fees, and any other applicable fees (collectively, the "Monthly Reimbursable Amounts"). City represents and warrants that such Monthly Reimbursable Amounts represent actual fair market costs of the City incurred by fulfilling its obligations under the Agreement. City will continue to invoice SiFi for the Monthly Reimbursable Amounts until Substantial Completion. Each such monthly invoice shall be payable within thirty (30) days of receipt.

Fees associated with the submittal and review of the street opening permit applications will be paid using the City's online permitting system by work quadrant, all other fees will be paid as described above.

Fees, Expenses and other Charges. Except as expressly set forth herein, each 2.7 Party shall bear and be responsible for all of its own costs, fees and expenses incurred in executing and performing this Agreement. For the avoidance of doubt, because of the payment of the Monthly Reimbursable Amounts, City agrees that SiFi shall not be responsible and liable for any other or additional fees or payments to the City in connection with this Agreement or the permitting process in excess of the Monthly Reimbursable Amounts. This Agreement does not exempt SiFi from any assessments, fees, or taxes that might be levied by the City for use of the Public Way and from City's ordinary business taxes, franchise or utility use tax fees, if applicable. The City agrees (to the extent SiFi does not provide retail internet service to the residence/business) that this Agreement shall not require SiFi to comply with or otherwise be subject to any obligations or liabilities as a grantee of a franchise under the City's municipal code, ordinances or similar laws. SiFi shall not be liable for Riverside Municipal Code ("RMC") required franchise fees and utility use tax required of retail ISP's providing consumer internet and billing services using SiFi's wholesale infrastructure within the City's right of way. The City agrees that all standard requirements of the street opening permit application will be supplied by the Construction Contractor (as principal) performing the construction of the System. Such requirements shall be supplied prior to the issuance of a permit. Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Section 2.7 will survive expiration or termination of this Agreement.

2.8 SiFi's Maintenance Security. As of the date of completion of construction of the System and on the first business day of each anniversary thereafter in order to support SiFi's obligations to restore the condition of the Public Way directly impacted by the construction of the System, SiFi will provide to the City and maintain or substitute throughout the Term of this Agreement, either of the following, at SiFi's sole option by providing ninety (90) days advanced written notice: (i) a maintenance bond in accordance with the City's bonding requirements, (ii) letter of credit from a bank of SiFi's choosing, or (iii) cash in escrow, subject to a mutually agreed escrow agreement, in an aggregate annual amount not to exceed two million dollars (\$2,000,000.00).

2.9 Taxes. Notwithstanding the foregoing, SiFi acknowledges that the execution of this Agreement for the License Area may create a taxable possessory interest pursuant to Revenue Taxation Code Section 107, as amended from time to time, subjecting SiFi to pay any and all taxes levied on this interest in government owned real property. These possessory interest taxes, if applicable, are the sole obligation of SiFi and to be paid by SiFi directly to the Riverside County Tax Collector and shall be kept current, without delinquency.

2.10 <u>Relocation, Modification, or Alternations</u>. Excluding relocations requested by the City pursuant to Section 7.2(v) and repairs or maintenance to the System, SiFi may not relocate, materially modify, or materially alter the System components any time after issuance of the permit(s) for the System, except upon City's written approval which approval will not be unreasonably withheld, delayed, or conditioned.

SECTION 3

3. <u>The System</u>.

3.1 <u>System Description</u>. SiFi will install the System within the Boundary using the Public Way. The System shall use fiber optic cable emanating from the Shelter to the applicable Cabinet in the Public Way and then to the private Premises Wall for each applicable Primary Premise. The City acknowledges and agrees that SiFi has the right to install the System within the Boundary using the Public Way in order to make the delivery of Service over the System available to all Premises within the Boundary. The Parties acknowledge and agree that there is no agreed design or configuration of the actual location of the System within the Public Way at this time and that SiFi shall submit such designs specification, plan and associated details to the City for approval when ready. The City will work with SiFi to approve the physical location of the fiber optic cable and other equipment and components of the System in, on, over, under, upon, across, or along the Public Way and from the Public Way to the Premises Wall.

Permits and General Obligations. SiFi is deemed to have approval to locate the 3.2 System within the Boundary, subject to applicable permits including but not limited to encroachment, licenses, or other forms of plan review and approval or authorization necessary to construct, install, operate, maintain, replace, reconstruct, or repair the System, or any part thereof, during the term of this Agreement and any extensions. Construction and installation of the System shall be performed in a safe manner using materials of good quality. All permits shall provide for and allow standard work hours daily from 7am to 3:30pm local time. All transmission and distribution structures and equipment installed by SiFi for use in the System in accordance with the terms and conditions of this Agreement shall be located to minimize interference with the proper use of the Public Way and the rights of adjacent property owners of any such Public Way. SiFi will adhere to all requirements of the Riverside Municipal Code and any other applicable laws. In the event of an inconsistency or conflict between the rights and exceptions granted to SiFi pursuant to this Agreement and a provision of law, the provision will be interpreted in a manner that supports the objectives and intent of this Agreement to the extent that it does not violate the provision of law. In the event the Riverside Municipal Code or other provisions of law are later amended or adopted after the date hereof, the terms of this Agreement shall control.

SECTION 4

4. Construction and Facilities.

4.1 The City acknowledges and agrees that SiFi and its contractors intend to use varying construction techniques for the System Construction and deployment, which may include, any of the following:

(i) traditional open trench and/or directional boring;

(ii) slot cut Microtrenching as set forth in the specifications set forth in Exhibit A to this Agreement;

(iii) the use of a ground penetration radar system as the primary method for identifying underground utilities prior to any Microtrenching;

(iv) techniques ancillary to or related to the foregoing.

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Notwithstanding any City code provision to the contrary, the City hereby approves each of the above referenced construction methods and the specifications in the exhibit and agrees to work cooperatively with SiFi in reviewing all other potential construction methods.

4.1.1 SiFi shall be solely responsible for all repairs, maintenance, and adjustments, and damage to the System, not caused by City's active negligence or willful misconduct. The City shall be responsible for all repairs associated with loss or damages to the System or other property and equipment resulting from the active negligence or willful misconduct of the City or its agents, excluding damage that may occur due to utility or emergency street repairs.

4.2

Location of Equipment/Facilities.

4.2.1 <u>Facilities</u>. During the Term, the City shall provide SiFi, as needed, with access to and use of the Facilities for the installation and operation of up to six (6) SiFi Shelters (approximately 1,000 square feet per location for each Shelter) subject to a separate lease, easement, or another suitable agreement to be negotiated in good faith between the parties at mutually agreeable locations, including payment by SiFi of fair market value for the use and occupancy of each such Shelter Facility on City-owned land. Any such subsequent lease or other such agreement may require approval from the applicable legislative body of the City.

4.2.2 <u>Shelters and Cabinets Locations</u>. SiFi agrees to provide engineering designs including intended locations of the Shelters and Cabinets required for the System to the City prior to Construction in accordance with City's permitting process. The City and SiFi agree to cooperate in the selection of suitable sites for the Shelters and Cabinets. However, City has sole and absolute but reasonable discretion to reject a proposed location; provided that, the City will use reasonable efforts to offer suitable alternative locations.

4.3 <u>System Connections to the Premises Wall</u>. SiFi will provide a terminated fiber to each Subscriber's Premises receiving a Drop in a manner to be determined by SiFi. The location and the method of the Drop will vary depending on the circumstances of the location of the Subscriber's Premises. For the avoidance of doubt, in the event SiFi cannot install fiber optic cable or other necessary equipment on private property because of a lack of a right to access the property, SiFi shall not be required to make the System available to such Premises when private easement has not been granted.

SECTION 5

5. Oversight and Regulation by City.

5.1 <u>Oversight of Construction</u>. In accordance with applicable law, the City shall have the right to oversee and inspect the Construction of the System in the Public Way.

5.2 <u>Compliance with Applicable Laws</u>. SiFi and the City shall, at all times during the Term, be subject to and comply in all material respects with all applicable federal, state laws and local laws regarding the Construction of the System in the Public Way.

Treatment of Confidential Information. Subject to local, state and 5.3 federal law, including, without limitation, the California Public Records Act ("CPRA"), the City agrees that, without the prior written consent of SiFi, all information regarding the System, including plans, drawings, designs, conceptual renderings, cost information, specifications, photographs, reports, manuals, and other non-public exempt documents ("Confidential Information"), is proprietary and shall be kept confidential and shall not be disclosed to any Persons other than the City's authorized employees, representatives, staff and consultants (collectively, "Representatives") with a need to know such information. The City shall cause its Representatives to observe the confidentiality obligations described herein and shall be responsible for any breach of these obligations by any of its Representatives. The City agrees to assert applicable exemptions to any CPRA request for Confidential Information and to promptly notify SiFi if the City receives a CPRA request relating to SiFi or the System. Promptly upon the written request of SiFi or the termination of this Agreement, the City will return to SiFi or destroy (any such destruction shall be certified in writing by an officer of the City) all copies of the Confidential Information and all other documents prepared by the City that contain or reflect the Confidential Information. Notwithstanding anything to the contrary contained in this Agreement, the City's obligations set forth in this Section 5.3 will survive expiration or termination of this Agreement.

SECTION 6

6. <u>Insurance</u>.

SiFi shall procure and maintain from the date of start of Construction for the duration of the term of the Agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the SiFi, its agents, representatives, employees, or subcontractors.

6.1 Minimum Scope and Limit of Coverage.

Coverage shall be at least as broad as:

A. Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 covering CGL on an "occurrence" basis, including products and completed operations, property damage, bodily injury and personal & advertising injury with limits no less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit. Coverage shall include blanket contractual liability and broad form property damage, premises, operations, explosion, collapse, underground hazard (commonly referred to as "X", "C" and "U" coverages.

B. Automobile Liability: Insurance Services Office Form CA 0001 covering Code 1 (any auto), with limits no less than \$1,000,000 per accident for bodily injury and property damage.

C. Workers' Compensation insurance as required by the State, with Statutory Limits, and Employers' Liability insurance with a limit of no less than \$1,000,000 per accident for bodily injury or disease.

D. Builder's Risk (Course of Construction) insurance utilizing an "All Risk" (Special Perils) coverage form, with limits equal to the completed value of the project, including all soft costs, and no coinsurance penalty provisions.

E. Professional Liability with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate. The retroactive date must be shown, and this date must be before the execution date of the contract or the beginning of contract work. Insurance must be maintained, and evidence of insurance must be provided for at least five (5) years after completion of contract work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective, or start of work date, the SiFi must purchase extended reporting period coverage for a minimum of five (5) years after completion of contract work. A copy of the claims reporting requirements must be submitted to the City for review.

F. Pollution Legal Liability and/or Asbestos Legal Liability and/or Errors and Omissions (if project involves environmental hazards) with limits no less than \$1,000,000 per occurrence or claim, and \$2,000,000 policy aggregate. If the services involve lead-based paint or asbestos identification/remediation, the Pollution Liability policy shall not contain lead-based paint or asbestos exclusions. If the services involve mold identification/remediation, the Contractors Pollution Liability policy shall not contain a mold exclusion, and the definition of Pollution shall include microbial matter, including mold.

If the Contractor or SiFi maintains broader coverage and/or higher limits than the minimums shown above for all policies, the City requires and shall be entitled to the broader coverage and/or higher limits maintained by the Contractor or SiFi. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City to the extent necessary to cover any actual damages suffered by the City.

6.2 Self-Insured Retentions

Self-insured retentions must be declared to and approved by the City. At the option of the City, SiFi shall cause the insurer to reduce or eliminate such self-insured retentions as respects the City, its officers, officials, employees, and volunteers; or SiFi shall provide a financial guarantee satisfactory to the City guaranteeing payment of losses and related investigations, claim administration, and defense expenses. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or City.

6.3 Other Insurance Provisions:

A. Additional Insured. The City, its officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of SiFi including materials, parts, or equipment furnished

in connection with such work or operations and automobiles owned, leased, hired, or borrowed by or on behalf of SiFi. General liability coverage can be provided in the form of an endorsement to the SiFi's insurance (at least as broad as CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

B. Primary Insurance. For any claims related to this project, SiFi's insurance coverage shall be primary insurance coverage at least as broad as ISO CG 20 01 04 13 as respects the City, its officers, officials, employees, and volunteers. Any insurance or self-insurance maintained by the City, its officers, officials, employees, or volunteers shall be excess of the SiFi's insurance and shall not contribute with it.

C. Notice of Cancellation. SiFi shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. In the event of any cancellation or reduction in coverage or limits of any insurance, SiFi shall forthwith obtain and submit proof of substitute insurance.

D. Builder's Risk (Course of Construction) Insurance. SiFi may, if requested by the City, submit evidence of Builder's Risk insurance in the form of Course of Construction coverage. Such coverage shall name the City as a loss payee as their interest may appear.

If the project does not involve new or major reconstruction, at the option of the City, an Installation Floater may be acceptable. For such projects, a Property Installation Floater shall be obtained that provides for the improvement, remodel, modification, alteration, conversion or adjustment to existing buildings, structures, processes, machinery, and equipment. The Property Installation Floater shall provide property damage coverage for any building, structure, machinery, or equipment damaged, impaired, broken, or destroyed during the performance of the Work, including during transit, installation, and testing at the City's site.

E. Acceptability of Insurers. Insurance is to be placed with insurers authorized to conduct business in the state with a current A.M. Best rating of no less than A: VII, unless otherwise acceptable to the City.

F. Waiver of Subrogation. SiFi hereby agrees to waive rights of subrogation which any insurer of SiFi may acquire from Contractor by virtue of the payment of any loss. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City has received a waiver of subrogation endorsement from the insurer. However, the Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Contractor, its employees, agents and subcontractors.

G. Verification of Coverage. SiFi shall furnish, upon request, the City with Certificates of Insurance including all required amendatory endorsements (or copies of the applicable policy language effecting coverage required by this clause) and a copy of the Declarations and Endorsement Page of the CGL policy listing all policy endorsements to City before the date of the start of Construction. However, failure to obtain the required documents prior to the work

beginning shall not waive the Contractor's obligation to provide them. The City reserves the right to require complete, certified copies of all required insurance policies, including endorsements, required by these specifications, at any time.

H. Contractor/Subcontractors. SiFi shall require and verify that the Contractor and all subcontractors maintain insurance meeting all the requirements stated herein, and SiFi shall require, to the extent possible, the Contractor and all the subcontractors to list City is an additional insured on insurance required from subcontractors. For CGL coverage subcontractors shall provide coverage with a form at least as broad as CG 20 38 04 13.

I. Special Risks or Circumstances. City reserves the right to modify, at any time, these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other circumstances.

SECTION 7

7. Parties' Obligations.

7.1 <u>Obligations of the City</u>. In addition to all other duties and obligations contained elsewhere in this Agreement, City has the following duties and obligations:

(i) Provide a single point of contact ("**SPOC**") for SiFi, which SPOC will be responsible to address all issues related to the System, providing coordination with and act as a liaison to City departments, and serving as a communication and troubleshooting resource for SiFi.

(ii) Offer the full cooperation of all City departments with respect to relevant issues with respect to the System. Such cooperation will be supervised by the SPOC.

(iii) Subject to Section 3.2, provide SiFi and its representatives with access to all City property and all City assets and infrastructure for which a permit has been issued to SiFi for the installation, inspection, and maintenance of the System and for any other reasonable business purpose with respect to the System. SiFi and/or any contractors it hires will be required to obtain encroachment permits and pay any related permit and inspection fees and comply with all other standard encroachment permit conditions of approval for future maintenance and/or repairs and/or alterations to its System located within the Public Way.

(iv) Participate in regular status meetings for the coordination of all matters related to the System.

(v) Provide efficient and diligent, as specified in Section 2.5, good faith review of all applications for permits submitted by SiFi or its representatives or contractors, including permits or other necessary items for construction work on the System within the Public Way.

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(vi) In the event of emergency repairs by the City or its contractors in the Public Way that will adversely impact the System and are necessary pursuant to Section 7.2(v) below, coordinate the repairs with SiFi, any utilities or other users of the Public Way, in order to facilitate prompt repairs, such coordination to be supervised by the SPOC and the SPOC shall keep SiFi continually apprised of the status of such repairs.

(vii) When reasonably able, City will provide SiFi with at least thirty (30) days advance notice of any work in the Public Way that requires the relocation of the System pursuant to Section 7.2(v) below. In addition, where necessary, the City will provide SiFi with an opportunity to access the System at the time of the excavation in the Public Way by others. City shall, both by itself and through its contractors, indemnify SiFi for any damage to the System caused by work by or on behalf of the City in the Public Way.

7.2 <u>Obligations of SiFi</u>. In addition to all other duties and obligations contained elsewhere in this Agreement, SiFi has the following duties and obligations:

(i) Work closely with the SPOC of the City and relevant City departments with respect to the construction of the System.

(ii) Comply with all requirements of City for permit and Public Way use applications, to the extent they may be required.

(iii) Maintain or provide for the maintenance of the System.

(iv) SiFi and its contractors shall register with the State's safe excavation notification system; and

(v) SiFi shall not be required to relocate for any routine curb and gutter and sidewalk maintenance and repair including without limitation repair of potholes, milling and repaving of roadways; provided that, City and City's contractors shall exercise reasonable care and shall be liable to SiFi for any damages to the System.

(vi) Community benefit

(i) SiFi shall allow the City to use the System for governmental internal data communication and non-retail purposes, subject to a separate agreement to be negotiated in good faith between the Parties, at a rate substantially less than market rate.

(ii) SiFi shall offer FiberCity® Aid Program dedicated to subsidizing connectivity to 12% of the City's housing units to

support vulnerable families, with the City determining the parameters for which households qualify.

(vii) SiFi or its construction partners will endeavor to maximize local hire and training to support the installation of the network and a permanent 24/7 field service crew that stays within the City for the project's entire lifetime.

(viii) Except for the above paragraph and when work to be performed by the City or its contractors is reasonably required to be within a two inch (2") radius from the SiFi System in accordance with industry standards ("**Conflict**"), except when required to perform emergency repairs, the City shall provide SiFi with not less than sixty (60) days written notice of such Conflict and City shall provide all reasonable accommodations including excavating to the SiFi impacted facilities as reasonably requested by SiFi to allow and facilitate coordination with the City contractor in order for SiFi to protect, or to temporarily or permanently relocate the impacted portion of the System; provided that, SiFi shall bear the direct reasonable cost for additional delays or costs incurred by the City for such Conflict work. If SiFi fails to act on such notice of Conflict within sixty (60) days from receipt, City will not be liable to SiFi for any resulting damages to the System.

(ix) Provide response times in connection with repairs to be undertaken by SiFi and/or contractors retained by SiFi (as opposed to repairs to be undertaken by the City) and to establish the necessary personnel levels for required dispatch, repair, inventory, maintenance, and service of the System commencing no earlier than Substantial Completion as follows:

(i) Depending upon the type of fault or the method of identification, the City shall notify SiFi of a suspected fault and the generation of a service ticket. The City shall issue to SiFi one of the following service ticket(s), for which SiFi shall provide the corresponding response time:

(1) Standard Response ("STANDARD")

a) Description: Construction in progress, capital improvement and other such projects impacting or potentially impacting the SiFi System and/or may impact the SiFi System, about which the City is aware of in advance. Examples of such projects include mill and fill projects, side

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relocations, road reclamation projects, and other similar projects, provided that any such STANDARD repair is subject to the then current State's safe excavation laws and regulations.

b) SiFi's contractor's response time: On-site within forty-five (45) business days

(2) Non-life-threatening Emergency Response ("NON-LTER")

a) Description: Curb and gutter projects, and utility (including telecommunications) projects requiring relocation, repair, or replacement that are impacted by the SiFi System and/or may impact the SiFi System, provided that any such NON-LTER repair is subject to the then current State's safe excavation laws and regulations.

b) SiFi's contractor's response time: On-site within seventy-two (72) hours

(3) Life Threatening Emergency Response ("LTER")

a) Description: Break or hit in the main gas, main electric, main water, or main sewer or storm line in the Public Way that has an immediate and direct impact to the traveling safety of the public in or around the Public Way, and wherein the City's ability to implement repairs are impacted by the SiFi System and/or City repairs may impact the SiFi System.

b) SiFi's contractor's response time: On-site within four (4) hours

(ii) Upon receipt of a service ticket as set forth herein, SiFi will use reasonable efforts to dispatch a technician to the specified fault location as identified by the City. SiFi, working with the City, will then make the determination as to whether the technician will proceed with the repair(s) if possible, wait for arrival of a City contractor, if necessary, for investigation and/or repair of work, or leave the site.

SECTION 8

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8. Breach; Rights and Remedies; Termination; Indemnification.

8.1. <u>SiFi Breach or Default</u>. In the event the City believes that SiFi has not complied with or is otherwise in default of any material term of this Agreement, the City shall promptly notify SiFi in writing with specific details regarding the exact nature of the alleged noncompliance or default (a "City Breach Notice").

8.1.1 <u>SiFi's Right to Cure or Respond</u>. SiFi shall have fortyfive (45) days from its receipt of a City Breach Notice (the "Initial SiFi Cure Period") to:

(i) respond to the City, contesting the assertion of noncompliance or default and in such event the Parties shall use commercially reasonable efforts to promptly resolve such contest and to the extent the Parties are unable to resolve such contest within thirty (30) days of SiFi's response, each Party shall be entitled to seek any and all rights and remedies available to it at law or in equity to resolve such contest; or

(ii) cure an actual default or noncompliance; provided, however, in the event that the default is curable but due to the nature of the default or noncompliance, such default or noncompliance cannot be cured within the Initial SiFi Cure Period, so long as SiFi initiates reasonable steps to remedy and continuously and diligently uses all reasonable efforts to cure such default or noncompliance promptly and notifies the City of the steps being taken and the projected date that they will be completed, the Initial SiFi Cure Period shall be extended for a reasonable amount of time to permit such cure but not to exceed ninety (90) days from SiFi's receipt of a City Breach Notice (the "**Extended SiFi Cure Period**" and together with the Initial SiFi Cure Period, the "**SiFi Cure Period**").

8.1.2 City Rights and Remedies.

(i) Except as provided in Sections 8.1.2(ii) below which shall control in connection with the events described therein, if SiFi fails to cure any actual noncompliance or default as provided in Section 8.1.1(ii) above within the SiFi's Cure Period, the City may:

(a) seek specific performance of any provision of this Agreement which lends itself to such remedy as an alternative to money damages;

(b) seek monetary damages from SiFi; or

(c) in the event of the breach of, noncompliance with, or default under any material term of this Agreement, terminate this Agreement and seek any and all rights and remedies available to it at law or in equity.

(ii) Notwithstanding anything to the contrary in this Agreement, in no event shall the City be permitted to terminate this Agreement if the City is in breach of or default under this Agreement.

8.2 <u>**City Breach or Default**</u>. In the event SiFi believes that the City has not complied with or is otherwise in default with regard to any term of this Agreement, SiFi shall promptly notify the City in writing with specific details regarding the exact nature of the alleged noncompliance or default (a "**SiFi Breach Notice**"). The failure to promptly provide such notice, however, shall not act as a waiver of any rights and remedies of SiFi hereunder unless and only to the extent that the City is materially prejudiced by such failure.

8.2.1 <u>City's Right to Cure or Respond</u>. The City shall have forty-five (45) days from its receipt of a SiFi Breach Notice (the "City Cure Period") to cure or respond to the notice; provided that the City Cure Period for a failure of the City to make a good faith effort to timely review completed permit applications submitted by SiFi and issue a permit(s) necessary to construct the System as required under Sections 3.2 and 7.2.1(iv) (a "Permit Issuance Breach") shall be ten (10) business days from its receipt of a SiFi Breach Notice to:

(i) respond to SiFi; contesting the assertion of noncompliance or default and in such event the Parties shall use commercially reasonable efforts to promptly resolve such contest and to the extent the Parties are unable to agree to a mutually agreed upon remediation plan to such contest within thirty (30) days of the City's response, each Party shall be entitled to seek any and all rights and remedies available to it at law or in equity to resolve such contest; or

(ii) cure an actual default or noncompliance; provided, however, in the event that the default is curable but due to the nature of the default or noncompliance, such default or noncompliance cannot be cured within the City Cure Period, so long as the City initiates reasonable steps to remedy and continuously and diligently uses all reasonable efforts to cure such default or noncompliance promptly and notifies SiFi of the steps being taken and the projected date that they will be completed, the City Cure Period shall be extended for a reasonable amount of time to permit such cure but not to exceed ninety (90) days from the City's receipt of a SiFi Breach Notice (the "**Extended City Cure Period**"); provided further, however, no Extended City Cure Period shall apply to a Permit Issuance Breach. 8.2.2 <u>SiFi Rights and Remedies</u>. If the City fails to cure any actual noncompliance or default as provided in Section 8.2.1(ii) above within the applicable City Cure Period, SiFi may:

(i) seek specific performance of any provision of this Agreement which lends itself to such remedy as an alternative to money damages;

(ii) seek monetary damages from the City; or

(iii) in the event of the breach of, noncompliance with or default under any material term of this Agreement, terminate this Agreement.

8.3 Additional Rights to Terminate.

8.3.1 At any time prior to commencing Construction or in the event the City fails to comply with the requirements of the Agreement, SiFi shall have the immediate right, at its option, upon written notice to the City to terminate this Agreement.

8.3.2 A Party shall have the right, at its option, upon notice to the other Party to terminate this Agreement if the other Party becomes (i) insolvent, admits in writing its inability to pay its debts as they mature, makes an assignment for the benefit of creditors, or becomes subject to direct control of a trustee, receiver or similar authority, or (ii) subject to any bankruptcy or insolvency proceeding under federal, state or foreign statutes which is not rescinded or dismissed within thirty (30) days.

8.4 **Indemnification**.

The City agrees to indemnify, defend, and hold harmless 8.4.1 SiFi and its affiliates and their respective directors, officers, managers, members, equity and debt holders, partners, employees, contractors, agents and representatives, and their heirs, successors, and assigns at the City's sole expense from and against any and all claims, suits, and demands of liability, loss, cost, expense or damage, including reasonable attorney's fees (collectively, "Damages"), arising out of third party claims to the extent that it results from (i) breach of this Agreement in any material respect by the City or (ii) the City's sole willful misconduct or gross negligence in its performance of this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the indemnity obligations set forth herein will survive expiration or termination of this Agreement. The defense obligation shall be required whenever any claim, action, complaint, or suit asserts as its basis the acts or omissions of the City, its officers, agents, and/or employees, whether or not the City, its officers, agents, and/or employees are specifically named or otherwise asserted to be liable. Notwithstanding the foregoing, the City shall not be liable for the defense or indemnification of the SiFi

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Indemnitees for claims, demands, actions, complaints, or suits arising out of the sole negligence or willful misconduct of the SiFi Indemnitees.

8.4.2 SiFi shall defend, indemnify and hold the City, its officials, officers, employees, volunteers, and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury, in law or equity, to property or persons, including wrongful death, in any manner which actually or allegedly arise out of or are incident to any alleged acts, omissions, negligence or willful misconduct of SiFi, its officials, officers, employees, agents, and subcontractors arising out of or in connection with the performance of the Services, the Project or this Agreement, including without limitation the payment of all attorney's fees and other related costs and expenses except where caused by the active negligence, sole negligence, or willful misconduct of the City its officers, officials, employees and volunteers. SiFi shall defend, at its own cost, expense and risk, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the City, its directors, officials, officers, employees, agents or volunteers. SiFi shall pay and satisfy any judgment, award or decree that may be rendered against the City or its directors, officials, officers, employees, agents or volunteers, in any such suit, action or other legal proceeding. SiFi shall reimburse the City, its officials, officers, employees, agents and/or volunteers, for any and all legal expenses and costs incurred by each of them in connection therewith or in enforcing the indemnity herein provided. SiFi's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by the City its officials, officers, employees, agents or volunteers.

8.4.3 SiFi shall, at its sole cost, promptly repair any damage to City property caused by SiFi, its agents or subcontractors. Sifi shall obtain prior approval from the City of any party used by SiFi to conduct any repair work. If SiFi damages City property, the final repair costs owed by SiFi shall be determined by the City in its sole discretion but in no event greater than the direct market reasonable costs incurred by the City, and shall be paid by SiFi within (10) days of City's demand therefor. SiFi's obligation under this section shall survive the cancellation, expiration, or termination of this agreement.

8.5 <u>Limitation of Liability</u>. IN NO EVENT WILL EITHER PARTY BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, CONSEQUENTIAL, SPECIAL, INCIDENTAL, RELIANCE, OR PUNITIVE DAMAGES OF ANY KIND OR NATURE WHATSOEVER, INCLUDING ANY LOST SAVINGS OR HARM TO BUSINESS. EACH PARTY HEREBY RELEASES THE OTHER PARTY AND ITS AFFILIATES AND THEIR RESPECTIVE DIRECTORS, OFFICERS, MANAGERS, MEMBERS, EQUITY AND DEBT HOLDERS, PARTNERS, EMPLOYEES, CONTRACTORS AND REPRESENTATIVES AND THEIR HEIRS, SUCCESSORS AND ASSIGNS, FROM CLAIMS FOR ANY SUCH DAMAGES. SiFi aggregate liability under this Agreement shall be limited to the higher of five million dollars (\$5,000,000) or the amount of available applicable insurance coverage. Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Section 8.5 will survive expiration or termination of this Agreement.

SECTION 9

9. Disputes.

9.1 For all claims, disputes or controversies arising out of, or in connection with, the breach, interpretation, application, or enforcement of this Agreement, or arising out of, or in connection with, the System which cannot be settled through negotiation, the Parties agree first to try in good faith to settle the matter by mediation in the County where City is located, prior to commencing litigation.

9.2 All claims, disputes or controversies arising out of, or in connection with, the breach, interpretation, application, or enforcement of this Agreement, or arising out of, or in connection with, the System, shall be decided in a court of law. The sole and exclusive venue for all claims, disputes or controversies arising out of, or in connection within the breach, interpretation, application, or enforcement of this Agreement, or arising out of, or in connection with, the System, shall be the Superior Court of the State of California – County of Riverside.

SECTION 10

10. Miscellaneous Provisions

Assignment. The provisions of this Agreement shall be binding upon and shall 10.1 inure to the benefit of the Parties hereto and each of their respective successors and assigns as provided herein. The City shall not be permitted to assign, sell or transfer this Agreement, or its rights and duties under this Agreement, without the prior written consent of SiFi, which consent shall not be unreasonably withheld, conditioned, or delayed. SiFi shall have the right to assign, novate, sell, encumber, or transfer this Agreement and the System or any part thereof, without the consent of the City to SiFi's principal, affiliates, subsidiaries, subsidiaries of its principal or to any entity which acquires all or substantially all of the SiFi's assets in the market by reason of a merger, acquisition, or other business reorganization, provided such assignee, purchaser, or transferee has all appropriate licenses, to the extent SiFi's licenses, permits and approvals cannot be assigned or transferred, for the operation, management, and maintenance of the facilities contemplated herein and sufficient financial resources to fulfill all applicable terms and obligations under this Agreement. At least thirty (30) days prior to the effective date, or as soon as practicable, of any such assignment, sale or transfer, SiFi shall provide City with a fully executed copy of the assignment, sale or transfer document, signed by both SiFi and assignee/purchaser/transferee, indicating the assignee's/purchaser's/ transferee's assumption of all of SiFi's performance duties, liabilities and obligations under this Agreement. SiFi shall not be relieved of its performance duties, liabilities or obligations under this Agreement until City is in receipt, of a fully executed copy of the document evidencing such assignment of the obligations herein and the assignee's/purchaser's/transferee's assumption of SiFi's performance duties, liabilities, and obligations under this Agreement. SiFi may not otherwise assign this Agreement or the System without City's consent, City's consent not to be unreasonably withheld, conditioned, or delayed. Upon any such assignment, sale, transfer, or novation, SiFi shall be released from all obligations and liabilities under this Agreement from and after the date of such assignment. SiFi shall give the City no less than thirty (30) days' advance notice of such assignment, sale, transfer or novation disclosing the identity of the Person to whom it has been assigned, transferred, sold or novated. The City agrees from time to time to promptly deliver (and in no event later than ten (10) business days after request by SiFi) to SiFi an estoppel certificate addressed to the assignee, buyer or transferee designated by SiFi, affirming for the benefit of such buyer, assignee or transferee the following (to the extent that the following are then true): the Agreement is in full force and effect; SiFi is not in default thereunder; and such other matters as such assignee, buyer or transferee may reasonably request.

10.2 **Force Majeure**. Except as otherwise expressly set forth in this Agreement, SiFi will not be held in default under, or in breach or noncompliance with, the provisions of this Agreement, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation or revocation of this Agreement), where such noncompliance or alleged defaults occurred or were caused by any of the following events (each a "Force Majeure Event"): labor strike, riot, war, earthquake, flood, hurricane, health crisis, pandemic, drought, tornado, unusually severe weather conditions, or other act of nature, labor disputes, failure of utility service necessary to construct the System, governmental, administrative or judicial order, or other event that is beyond SiFi's reasonable control. Force Majeure Events also include work delays caused by waiting for (i) utility providers to service or monitor their own utility infrastructure on which SiFi's fiber optic cable and/or equipment may be deployed, as well as unavailability of materials and/or reasonably qualified labor to perform the work or (ii) third parties' acts or omissions within the Public Way which materially interfere with SiFi's ability to perform its obligations under this Agreement.

10.3 **Notice**. All notices and communications hereunder shall be in writing and shall be served upon the other party by hand delivery, nationally recognized overnight delivery service, United States certified mail, return receipt requested, or by electronic mail and addressed as follows:

IF TO THE CITY: City of Riverside City Hall 3900 Main Street, Riverside, CA 92501 Attn: Email: IF TO SIFI:

SiFi Networks Riverside LLC 103 Foulk Road, Suite 500 Wilmington, DE 19803 Email: NOTICES@SiFiNetworks.com

or to such other address as such Party may hereafter specify for the purpose by notice to the other Party in the manner provided in this Section 10.3. All such notices, requests and other communications will be deemed received on the date of receipt if received prior to 5 p.m. on any business day in the place of receipt. Otherwise, any such notice, request or communication will be deemed not to have been received until the next succeeding business day in the place of receipt. Rejection or other refusal to accept or inability to deliver because of change of address of which no notice was given shall be deemed to be receipt of the notice.

10.4 **Entire Agreement**. This Agreement, including all Exhibits, embodies the entire understanding and agreement of the City and SiFi with respect to the subject matter hereof. This Agreement supersedes all other agreements whether written, verbal, or otherwise between SiFi and the City with respect to the subject of this Agreement.

10.5 <u>Severability</u>. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement (which other terms and provisions shall remain in full force and effect). Upon such determination that any term or other provision is invalid, illegal or unenforceable, the Parties hereto shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in a mutually acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the greatest extent possible.

10.6 <u>Governing Law</u>. This Agreement shall be deemed to be executed in the State of California and shall be governed in all respects, including validity, interpretation and effect, and construed in accordance with, the laws of the State of California as applicable to contracts entered into and performed entirely within the State of California, irrespective of conflict of laws principles.

10.7 <u>Modification</u>. This Agreement shall not be amended or otherwise modified, in whole or in part, except by an instrument, in writing, duly executed by the City and SiFi. For the avoidance of doubt, this Agreement cannot be amended or modified orally or by course of conduct, and no external agreement, oral agreement, or course of conduct shall be effective to amend or modify this Agreement in whole or in part.

10.8 **No Third-Party Beneficiaries**. Nothing in this Agreement or in any prior agreement is or was intended to confer third party beneficiary status on any party or Person not a party to this Agreement including a member of the public.

10.9 <u>No Waiver of Rights</u>. Nothing in this Agreement shall be construed as a waiver of any rights, substantive or procedural that SiFi or the City may have under federal or state law unless such waiver is expressly stated herein.

10.10 **No Rights to the System**. The City expressly agrees that, except as expressly set forth in this Agreement, it does not and shall not claim at any time any interest or estate of any kind or extent whatsoever in the System, throughout the term of this Agreement. SiFi shall, at all times, retain title to and ownership of the System and all future extensions of the System, and shall have the right to lease the System or parts thereof to a provider of internet, data, voice, video, and other services.

10.11 **Representations and Warranties**.

10.11.1 The City represents and warrants to SiFi that: (a) it has full authority (including the authority required by any applicable law, ordinance, rule or regulation) to enter into and perform this Agreement and the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby and thereby are within the right, power, and authority of the City and have been duly authorized by all necessary action on the part of City, (b) this Agreement has been duly executed and delivered by the City and it constitutes a legal, valid, and binding agreement of the City enforceable against the City in accordance with its terms (except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting creditors' rights generally and by general principles of equity) and (c) the execution and delivery of this Agreement by the City and its performance hereunder and thereunder will not violate any law, ordinance, rule, or regulation applicable to the City.

10.11.2 SiFi represents and warrants to the City that: (a) it has full authority to enter into and perform this Agreement and the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby and thereby are within the power and authority of SiFi and have been duly authorized by all necessary action on the part of SiFi, (b) this Agreement has been duly executed and delivered by SiFi and it constitutes a legal, valid, and binding agreement of SiFi enforceable against SiFi in accordance with its terms (except as enforcement may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting creditors' rights generally and by general principles of equity) and (c) the execution and delivery of this Agreement by SiFi and its performance hereunder and thereunder will not violate any law, rule, or regulation applicable to SiFi.

10.11.3 OTHER THAN THE EXPLICIT REPRESENTATIONS AND WARRANTIES MADE BY SIFI TO CITY UNDER THIS AGREEMENT, SIFI MAKES NO REPRESENTATIONS OR WARRANTIES TO THE CITY OR ANY PERSON WITH RESPECT TO THE SYSTEM (OR THE COMPONENTS THEREOF) AND HEREBY DISCLAIMS ANY AND ALL EXPRESS, IMPLIED, OR STATUTORY WARRANTIES, INCLUDING, WITHOUT LIMITATION, ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AVAILABILITY, ERROR-FREE OR UNINTERRUPTED OPERATION, AND ANY WARRANTIES А COURSE OF DEALING, COURSE ARISING FROM OF PERFORMANCE, OR USAGE OF TRADE. TO THE EXTENT THAT SIFI MAY NOT AS A MATTER OF APPLICABLE LAW DISCLAIM ANY IMPLIED WARRANTY, THE SCOPE AND DURATION OF SUCH WARRANTY WILL BE THE MINIMUM PERMITTED UNDER SUCH LAW.

10.12 **Third Parties**. Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of, a third party against either SiFi or the City.

10.13 <u>No Partnership</u>. Nothing in this Agreement shall be construed to create a partnership, joint venture or agency relationship between the City and SiFi or any other relationship other than a contractual relationship as expressly set forth in this Agreement. Neither Party shall in any manner act or indicate to any third party that is acting as the agent of the other Party. SiFi shall at all times remain an independent contractor. Neither Party shall control or direct the day-to-day affairs of the other Party, or their mode or method of performing their respective obligations hereunder.

10.14 <u>Headings.</u> The headings and captions of this Agreement are solely for the convenience of the Parties and shall not be deemed to modify or vary any of the substantive terms thereof.

Construction. Each of the Parties acknowledge that each Party to this Agreement 10.15 has been represented by counsel in connection with this Agreement. Legal or equitable principles that might require the construction of this Agreement or any provision hereof against the party drafting this Agreement shall not apply in any construction or interpretation of this Agreement and is expressly waived. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement. The words "hereof", "herein" and "hereunder" and words of like import used in this Agreement will refer to this Agreement as a whole and not to any particular provision of this Agreement. References to Articles, Sections, and clauses are to Articles, Sections and clauses of this Agreement unless otherwise specified. Any singular term in this Agreement will be deemed to include the plural, and any plural term the singular. Whenever the words "include", "includes" or "including" are used in this Agreement, they will be deemed to be followed by the words "but not limited to", whether or not they are in fact followed by those words or words of like import. "Writing", "written" and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or contract are to that agreement or contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively.

10.16 <u>Counterparts</u>. This Agreement may be signed in any number of counterparts, each of which will be deemed an original, with the same effect as if the signatures were upon the same instrument. A signed copy of this Agreement delivered by facsimile, e-mail or other means of electronic transmission (including PDF) shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

10.17 **Further Assurances**. Each Party agrees that it will execute and deliver such other documents and take such other action as may be reasonably requested by the other Party to effectuate the purposes and intention of this Agreement.

10.18 **No Waiver**. No provision of this Agreement may be waived unless such waiver is in writing and signed by the Party against whom the waiver is to be effective. No failure or delay by a Party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any right, power or privilege hereunder. No waiver of any breach of this Agreement shall be held to constitute a waiver of any other or subsequent breach.

[Signature page follows]

IN WITNESS WHEREOF, the Parties have caused this Development Agreement to be executed as of the day and year stated above.

CITY OF RIVERSIDE, a California

charter city and municipal corporation

By:_____

Al Zelinka

City Manager

Dated: May ____, 2022

Attest:_____

Donesia Gause

City Clerk

Approved as to Form:

By:

Rosemary Koo Senior Deputy City Attorney

SIFI NETWORKS RIVERSIDE LLC,

a Delaware limited liability company

fredsta Bv:~

Scott Bradshaw Authorized Signatory

CERTIFIED AS TO FUNDS AVAILABILITY: ЗY BY: Chief Financial Office// City Treasurer

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Dated: April 27, 2022

EXHIBIT A

SPECIFICATIONS, SHELTERS, CABINETS

EXHIBIT A

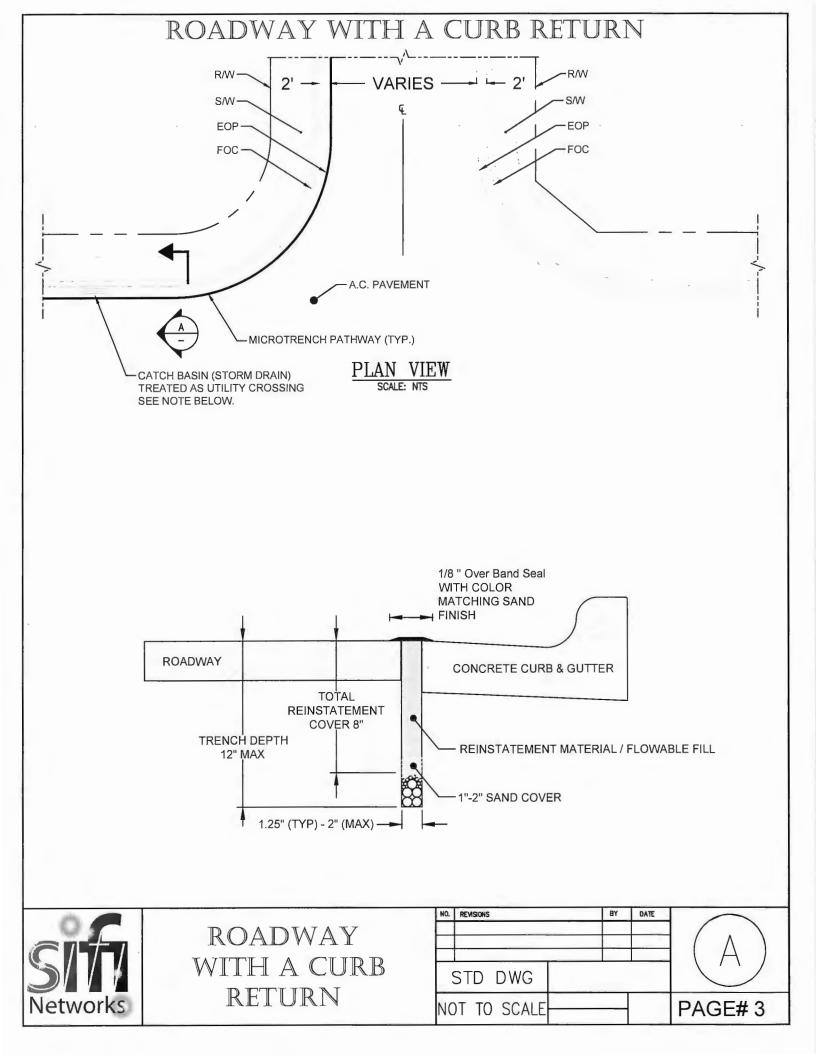
PROPOSED TYPICAL INSTALLATION

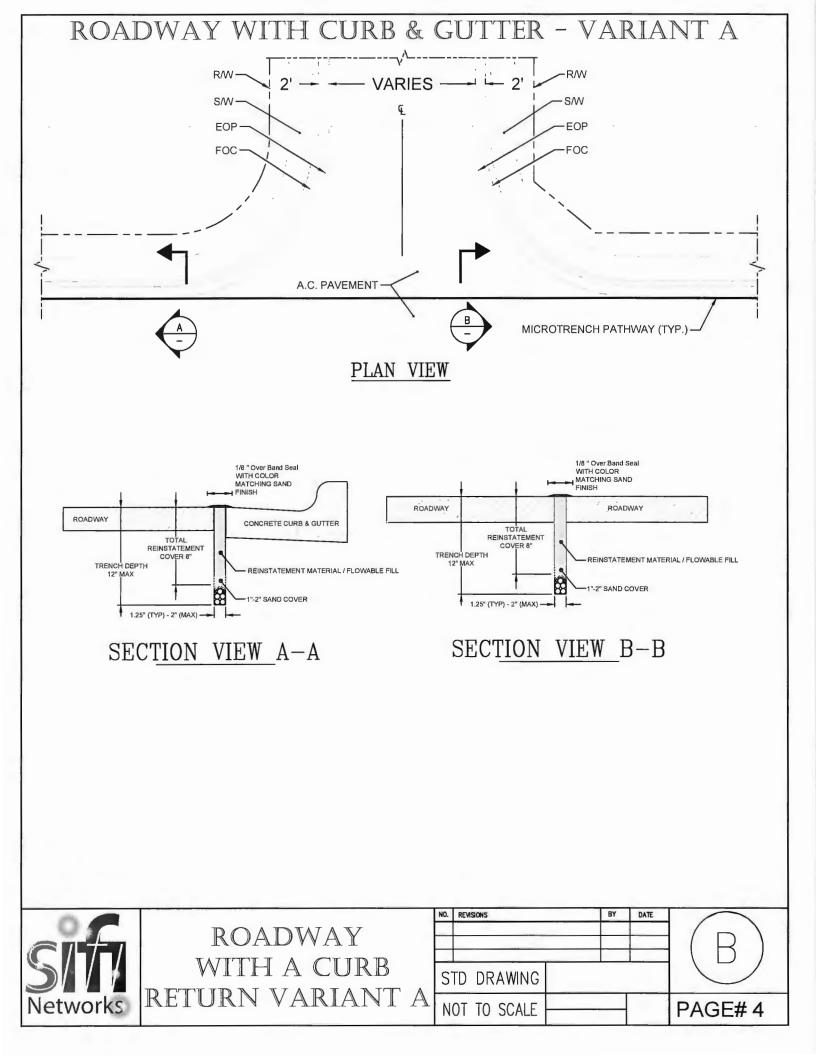
SPECIFICATIONS-SHELTERS-CABINETS FIBER CITY TYPICAL SPECIFICATIONS 4/26/2022

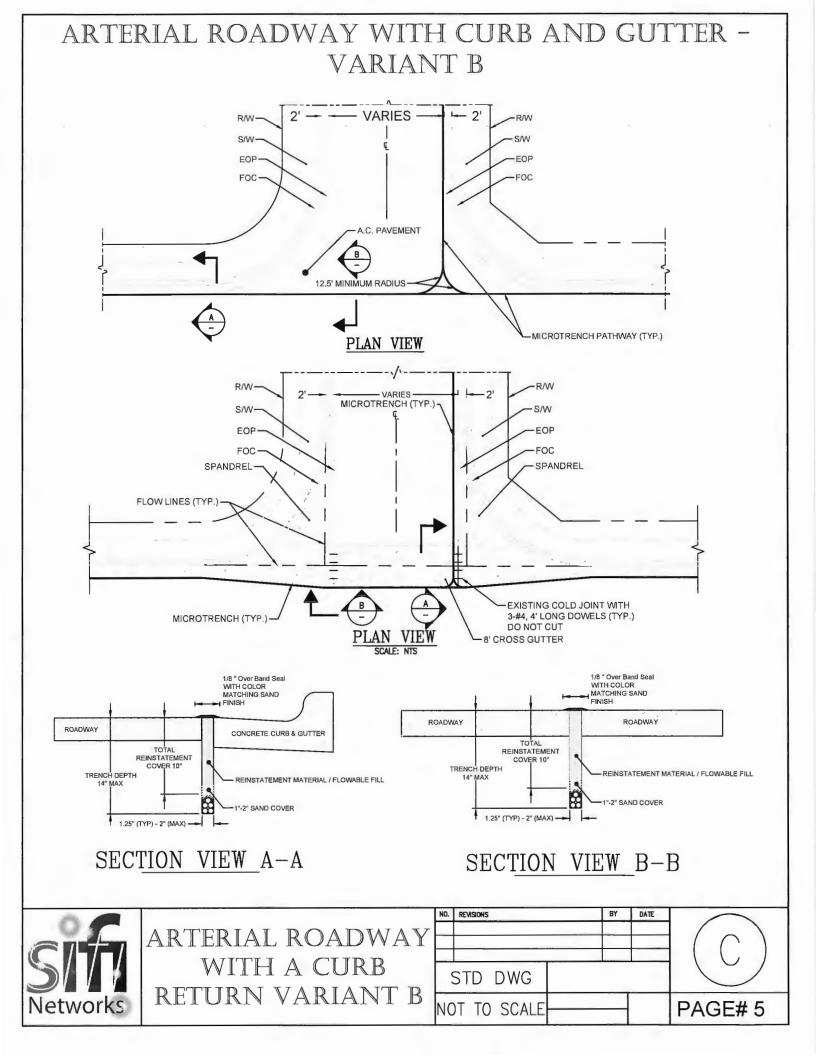


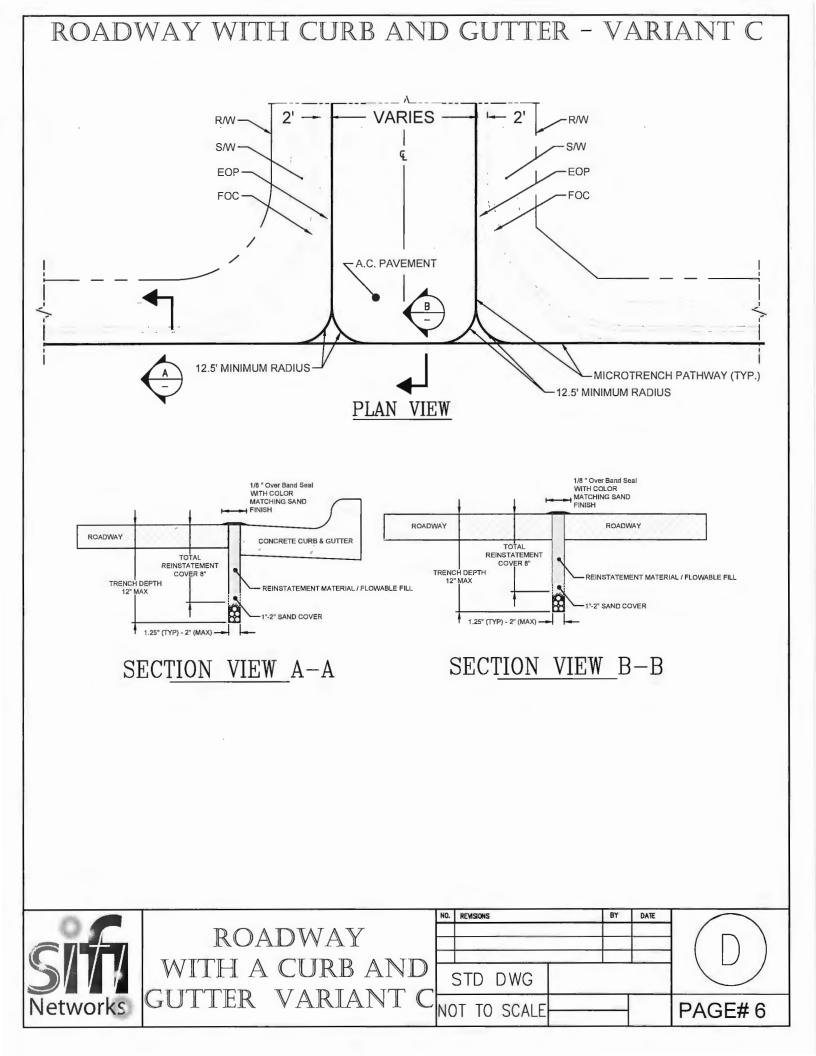
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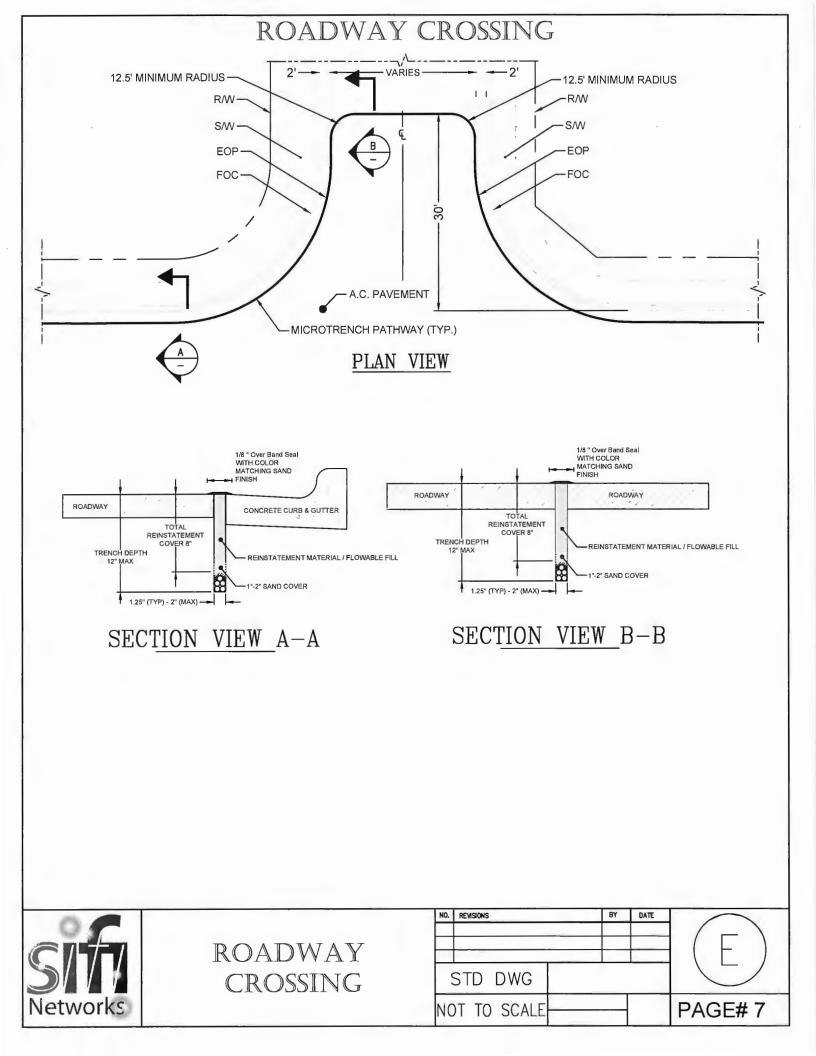
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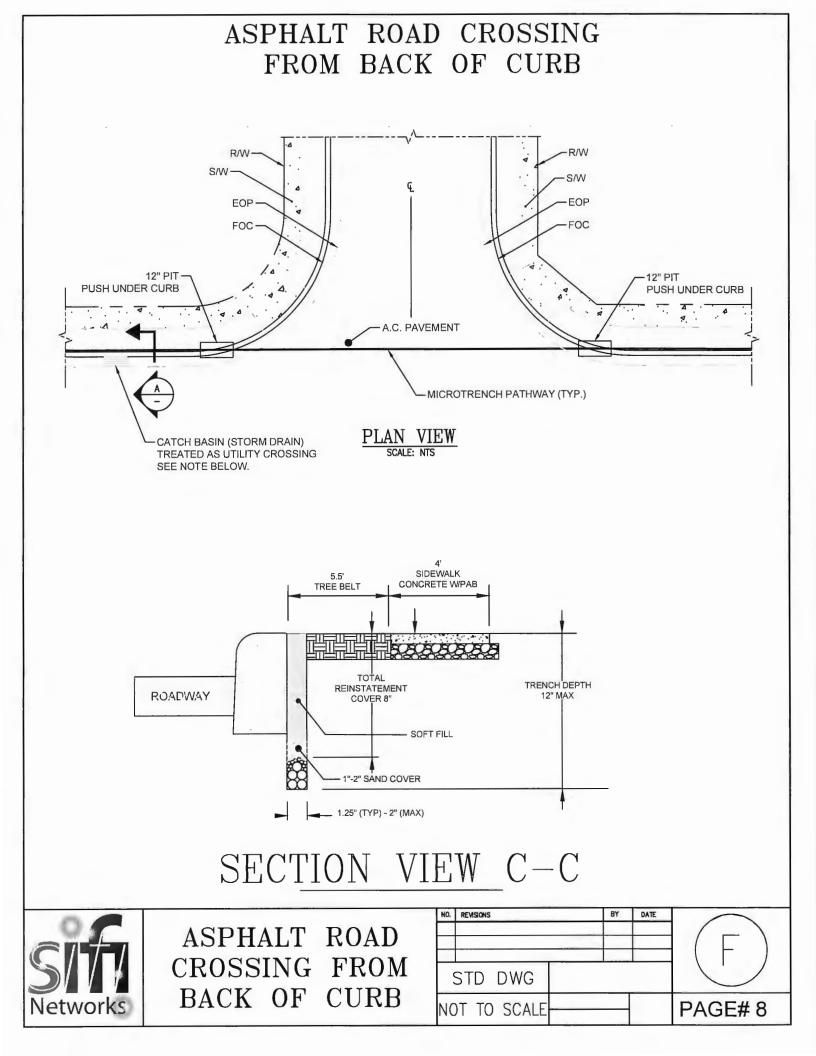


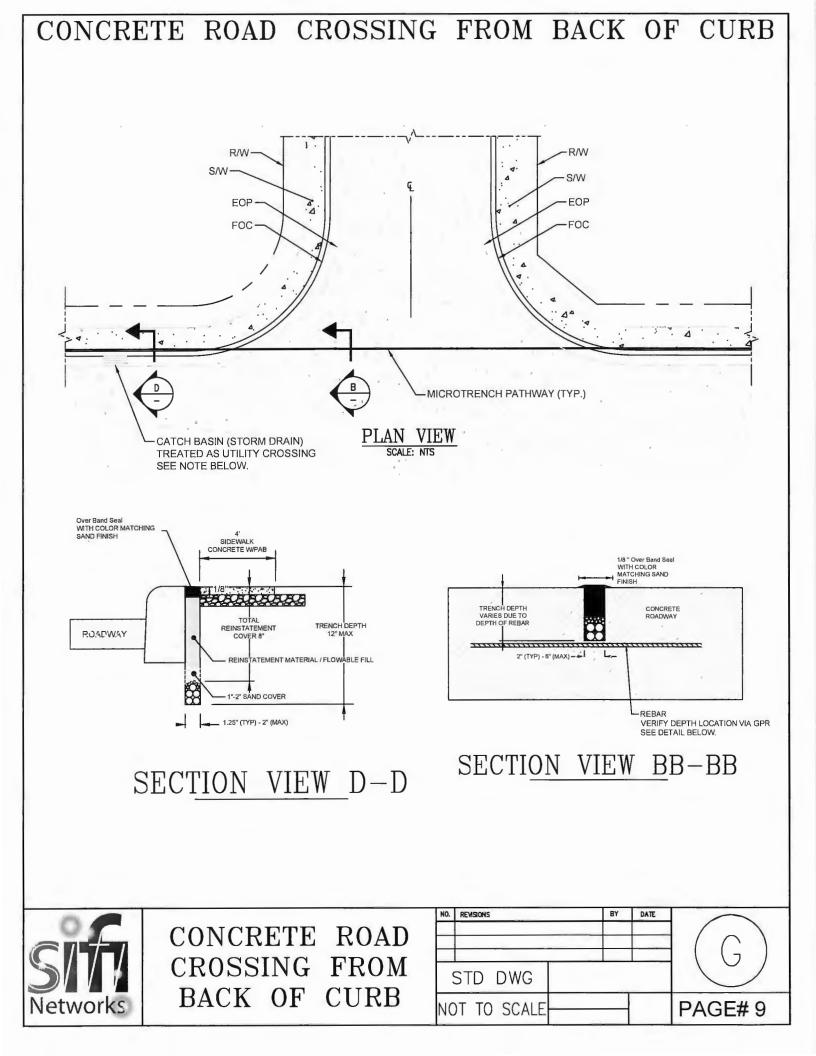


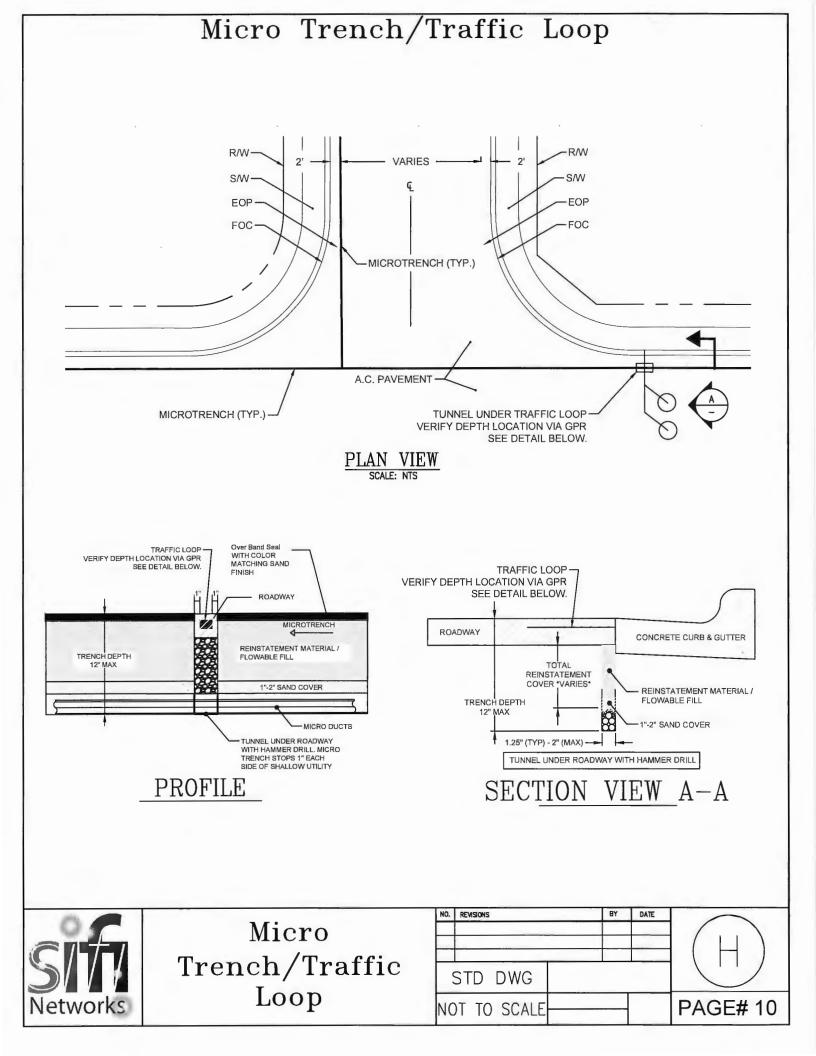




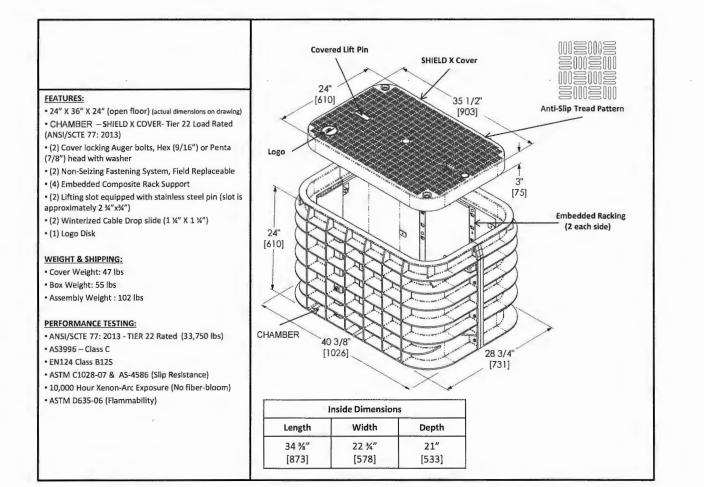




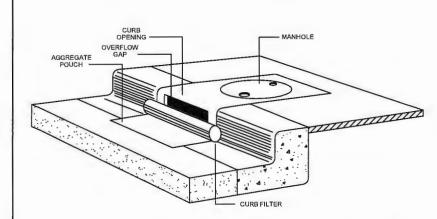


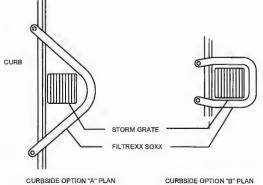


STANDARD CHAMBER/INLET PROTECTION



EXCESS SOXX MATERIAL TO BE DRAWN IN AND TIED OFF TO 2X2 WOODEN STAKE (TYP.)



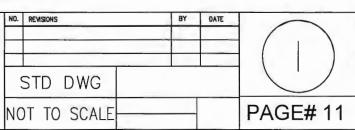


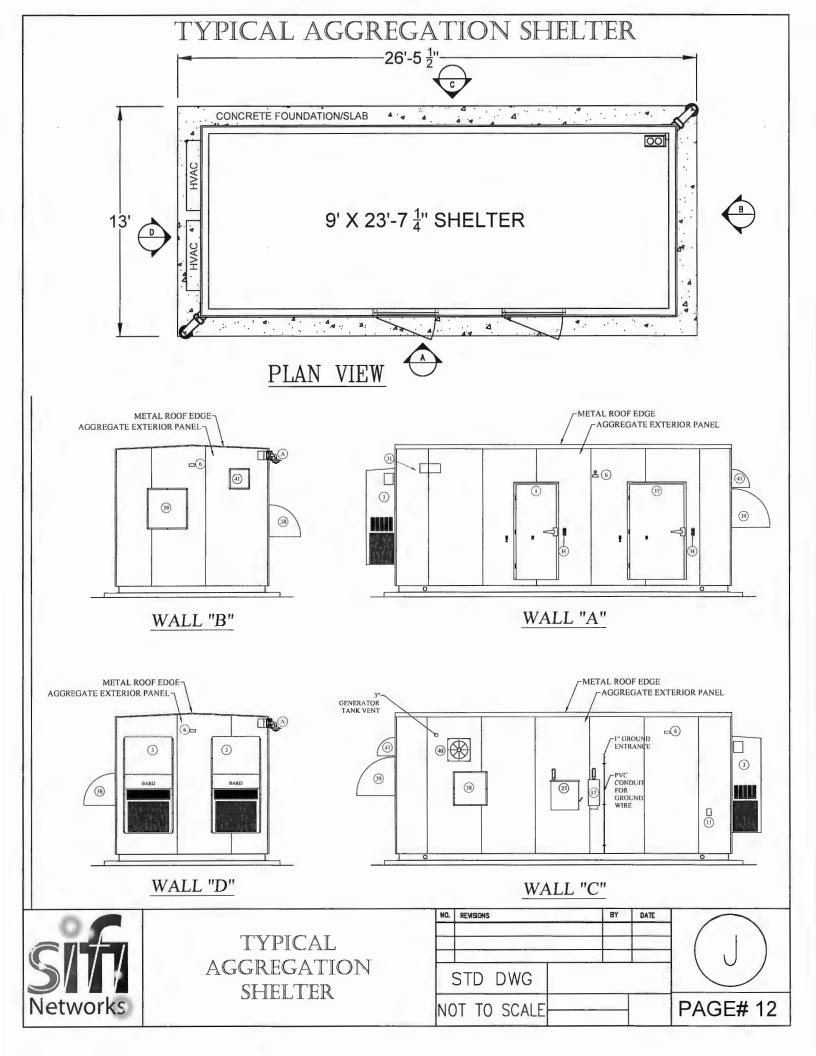
CURBSIDE OPTION "B" PLAN

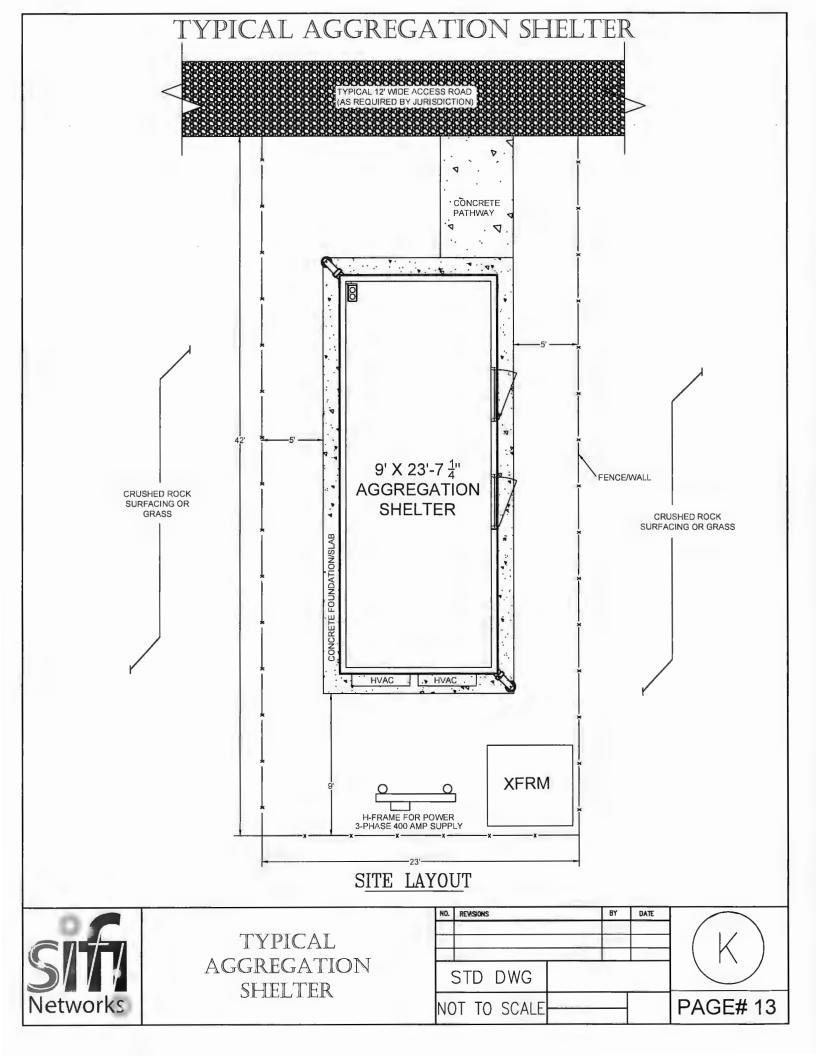
INLET PROTECTION

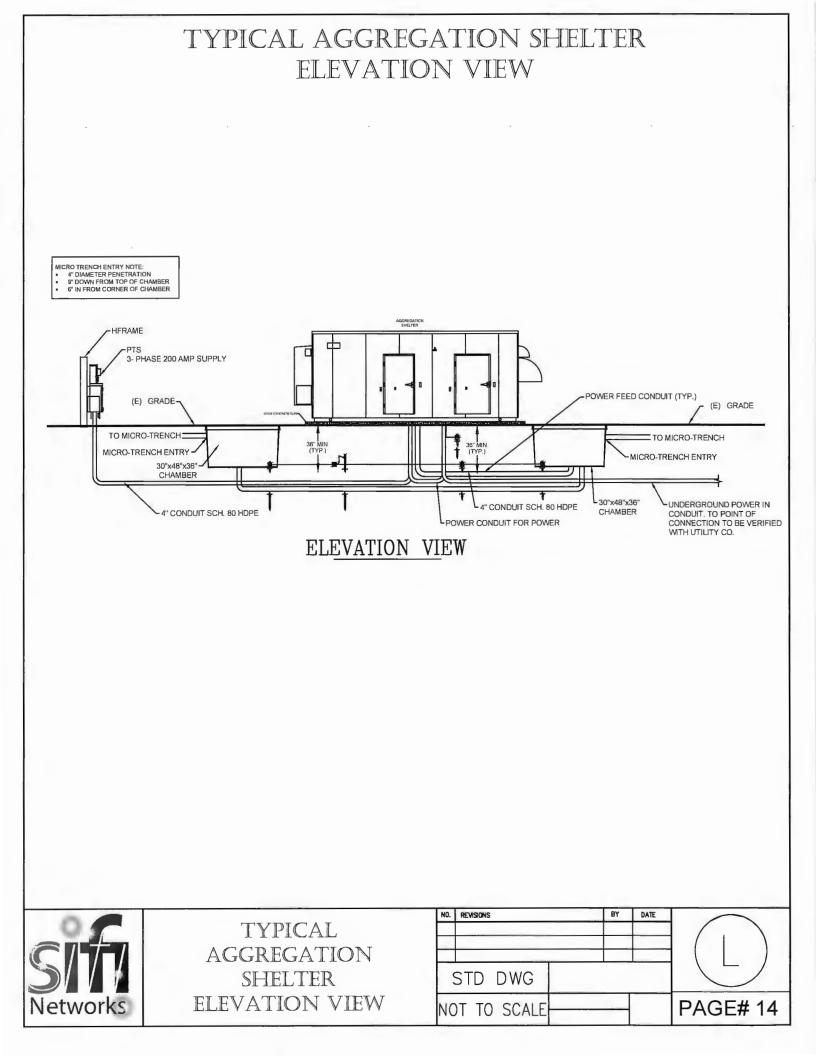


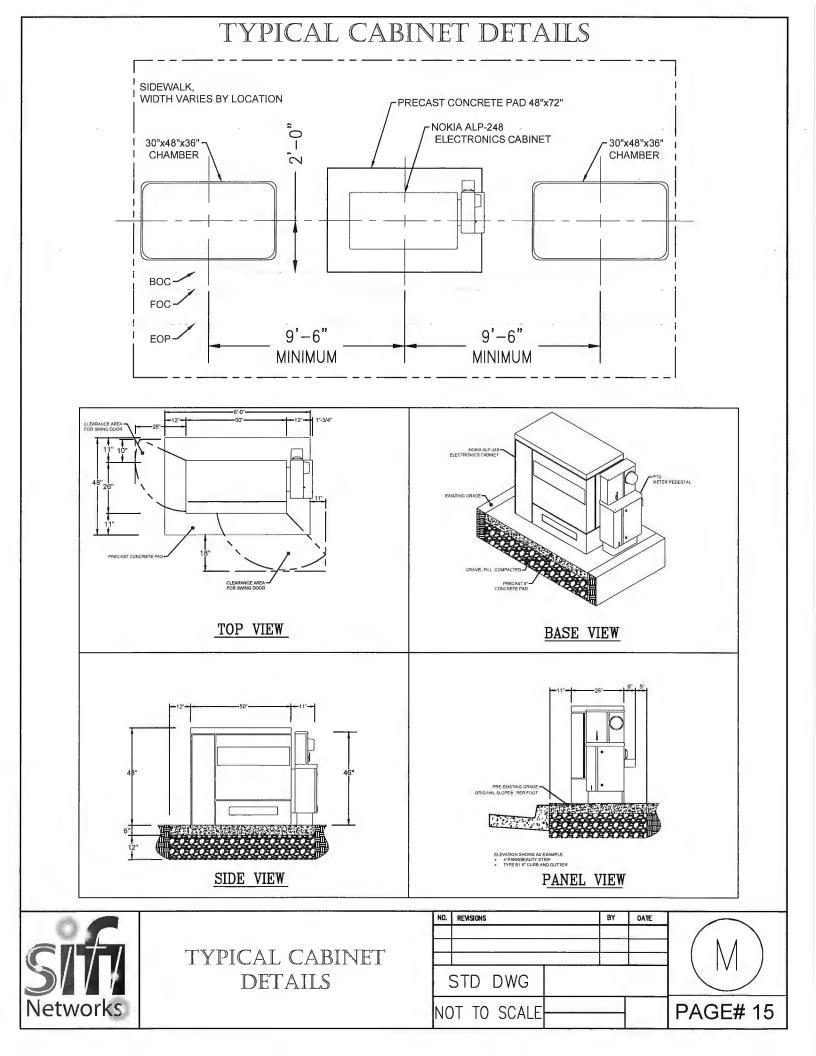


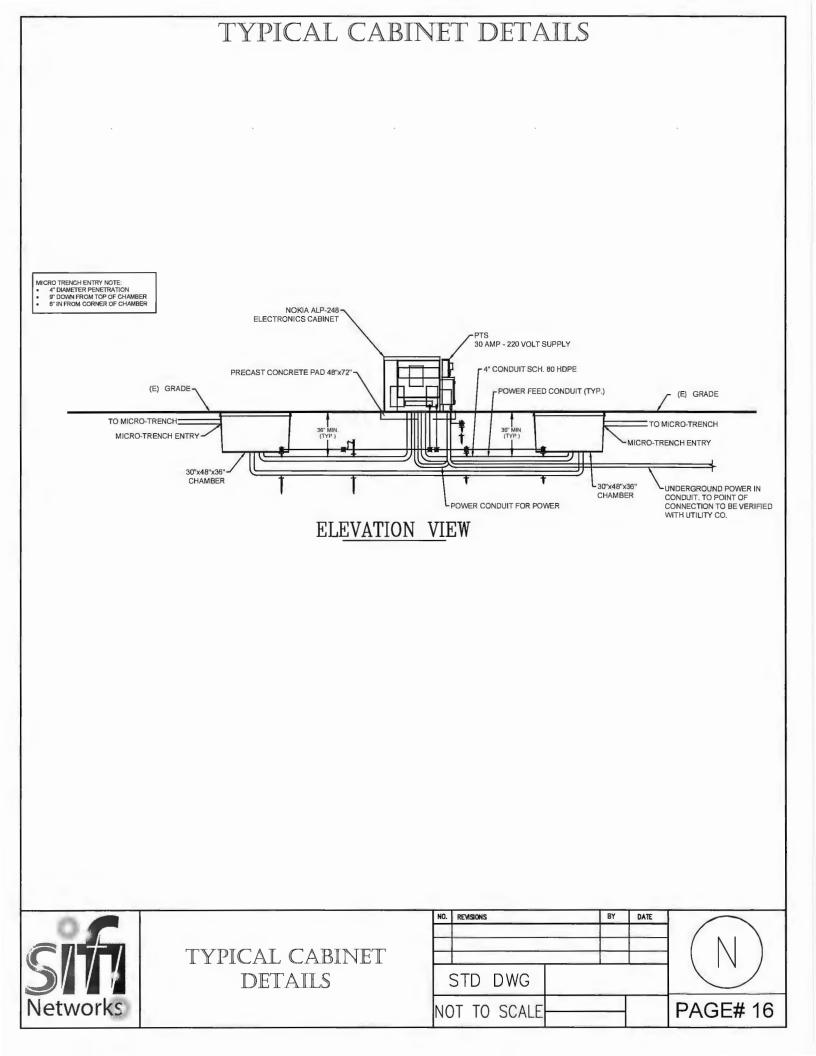




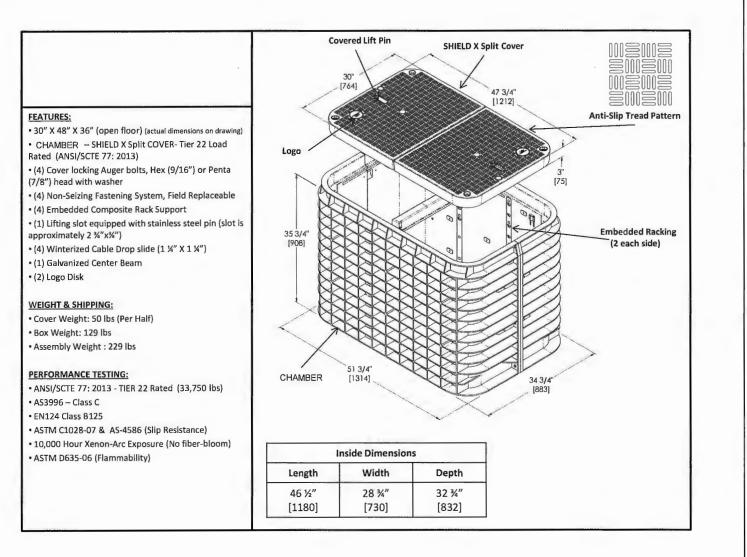




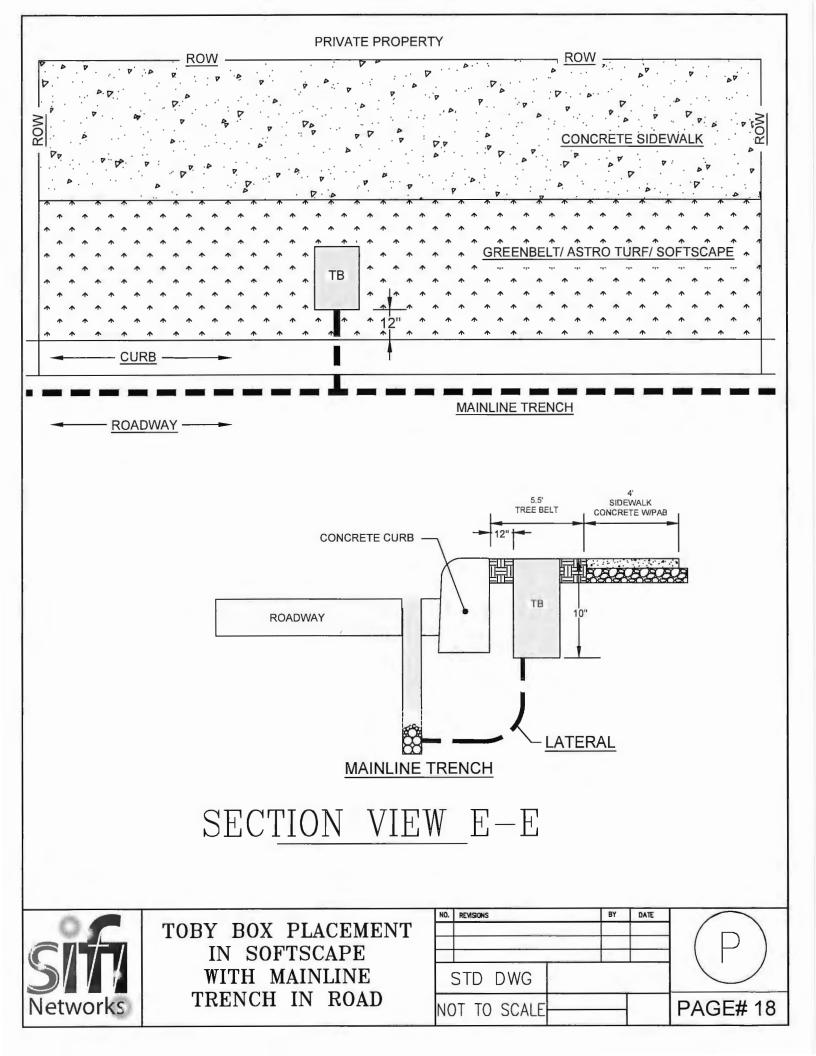


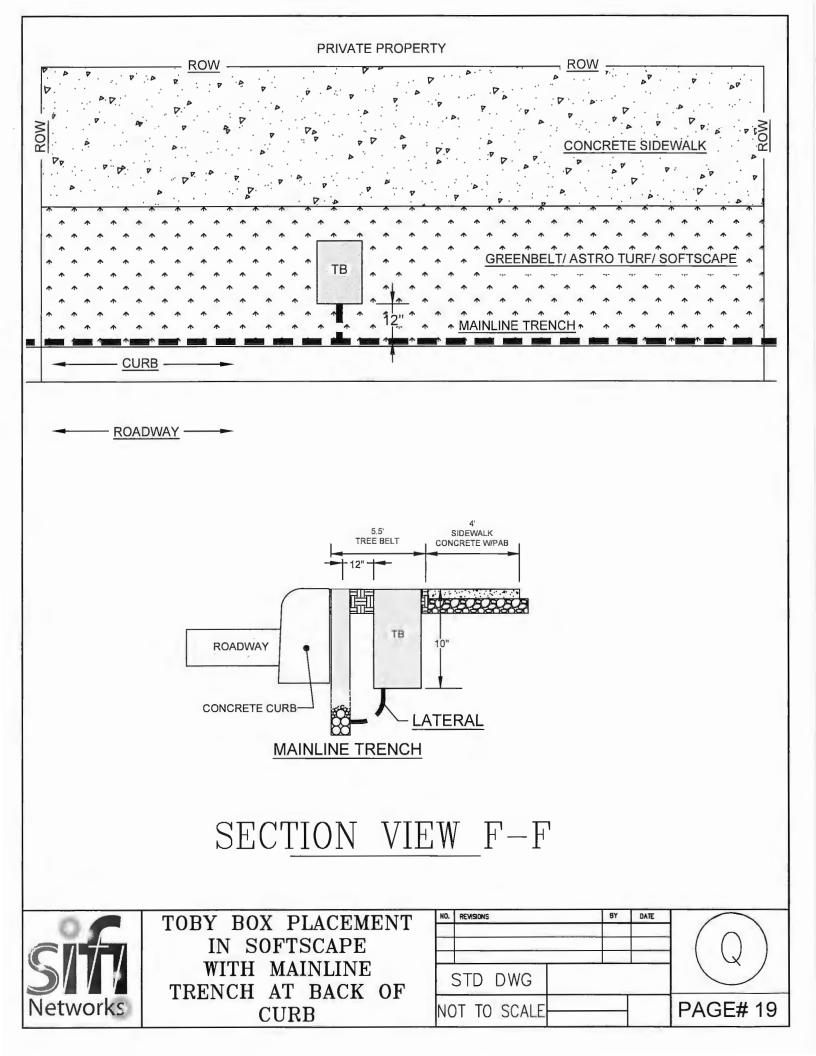


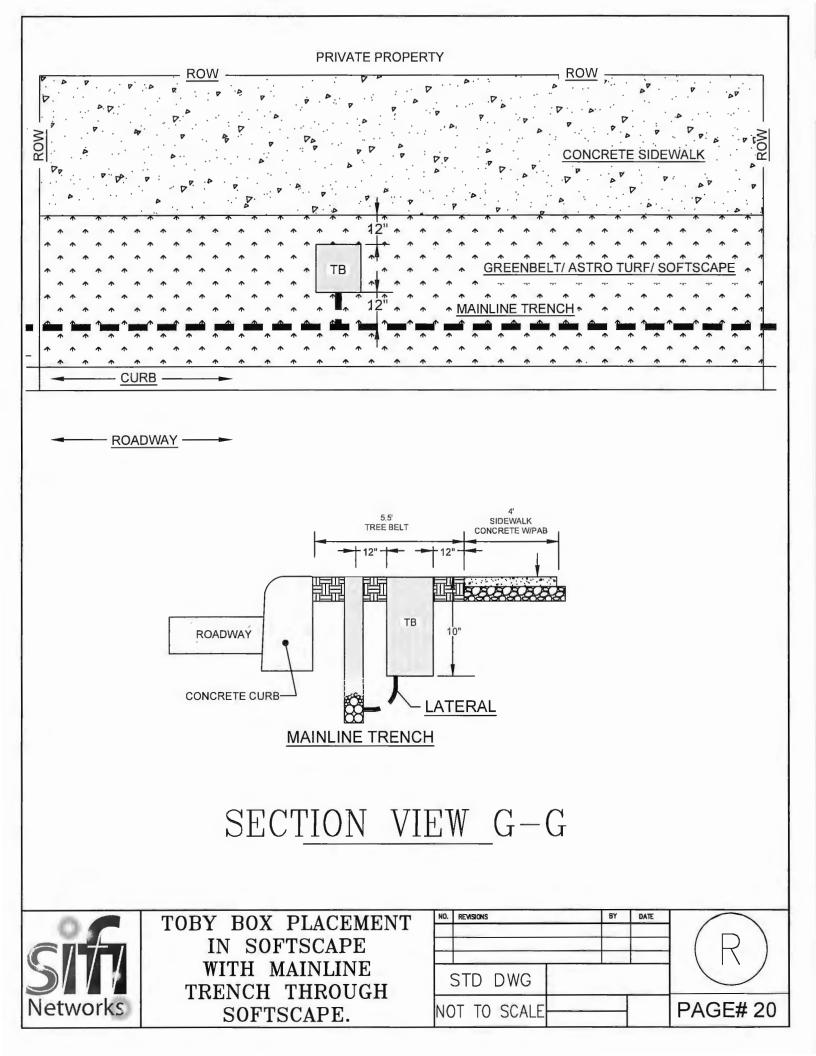
CABINET & AGGREGATION SHELTER

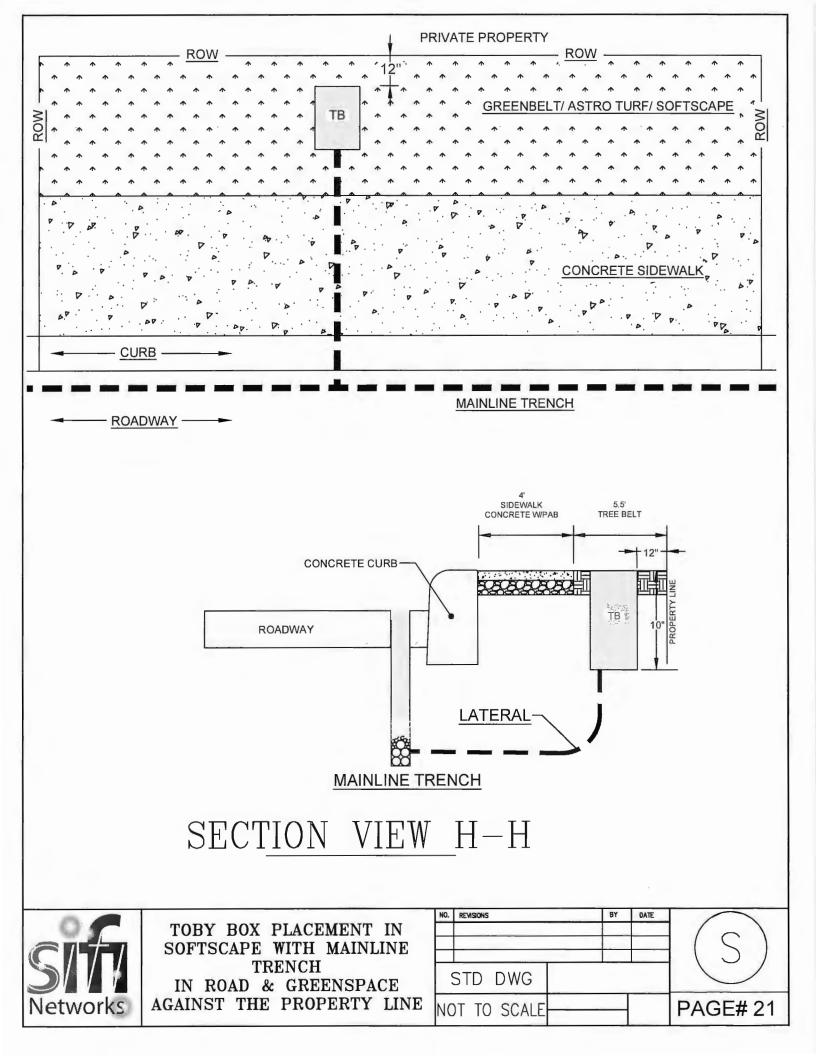


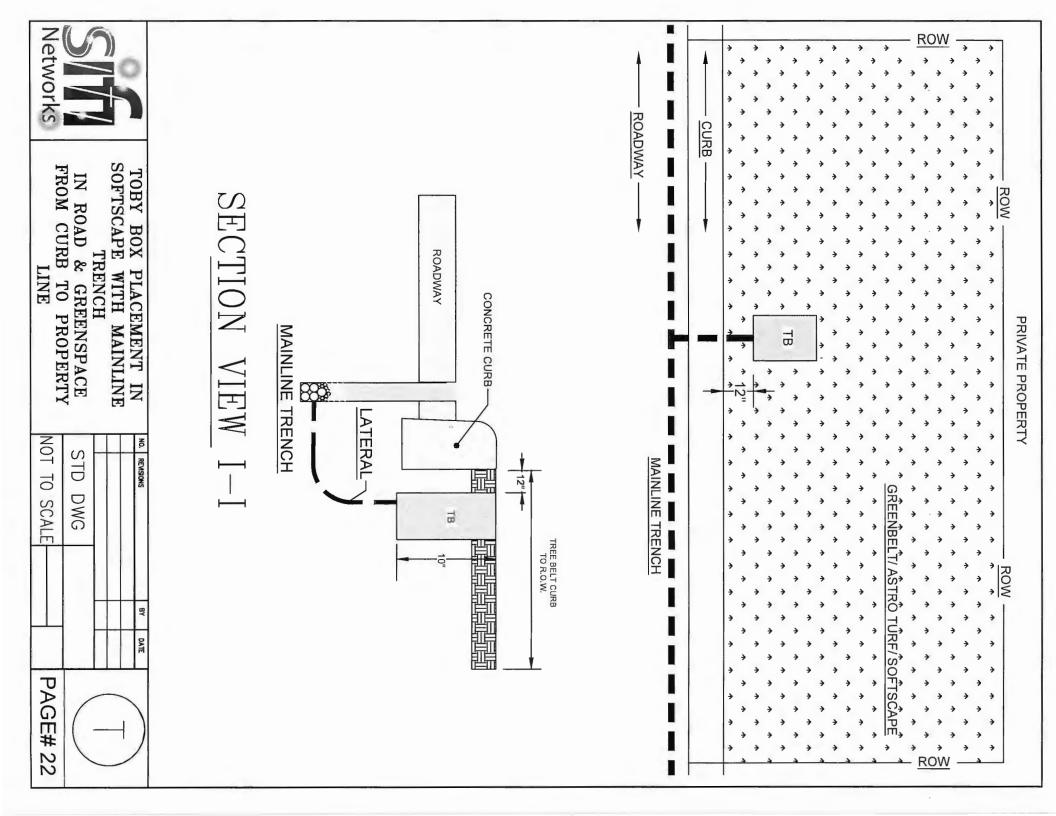
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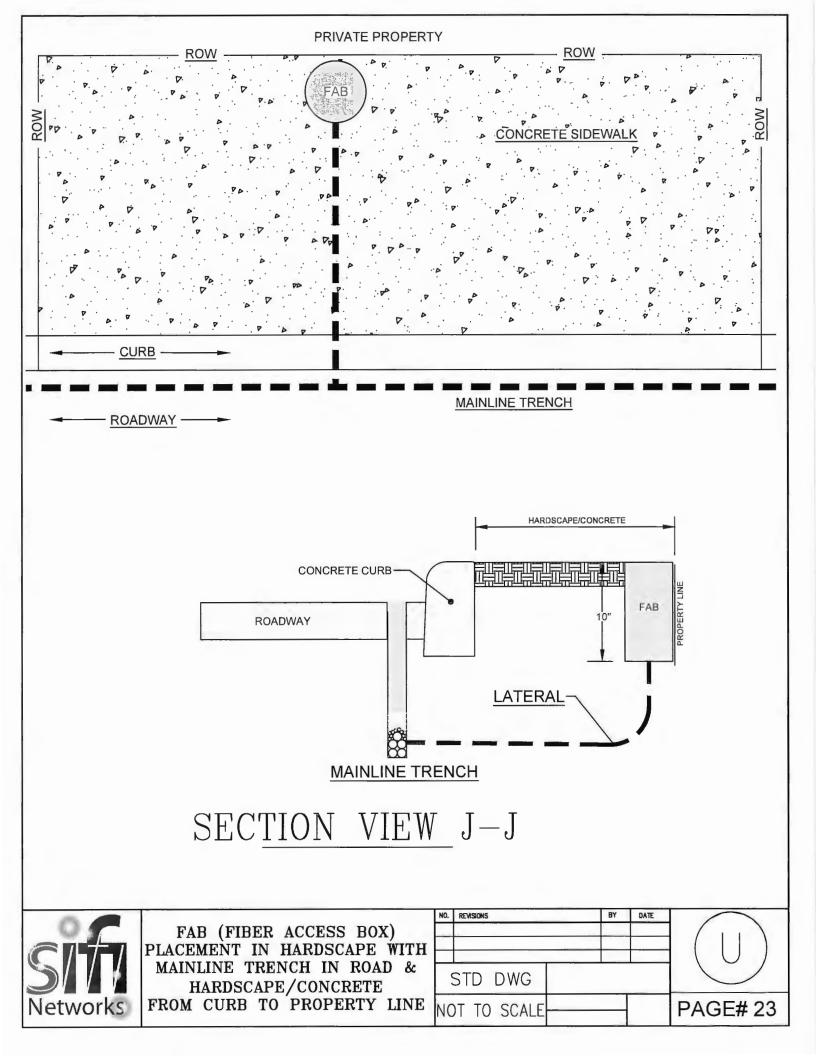


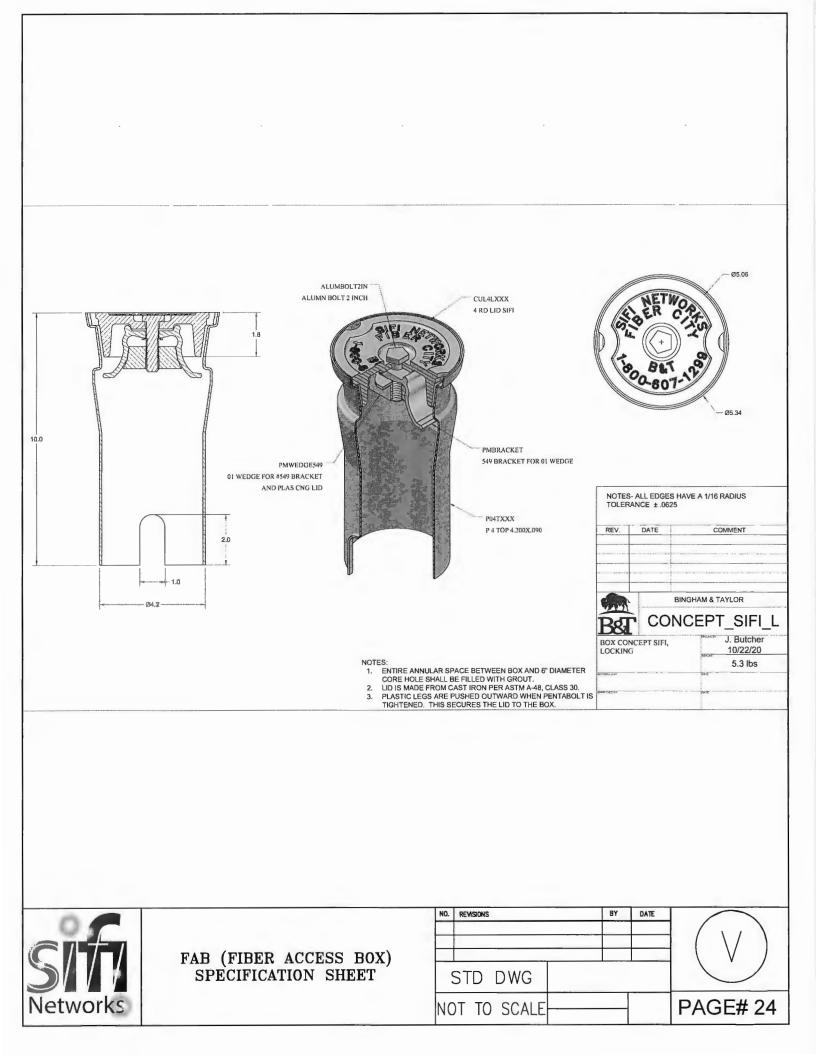












HEXATRONIC



Subscriber Underground Access Chamber – 250mm

A universal modular chamber for housing subscriber terminations at customer demarcations.

Features

- 250mm depth Hand Hole
- Narrow Footprint Optimised for Narrow trenching
- 250mm Depth with radius optimised for Microduct routing
- Cost-Effective
- Modular Construction
- Simple to Install
- High Load Bearing Strength
- Up to 2x Microduct Couplers (2 Subscribers)
- Capable of housing Optical connectivity demarcations

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HEXATRONIC

Design

Designed to offer operators a universal modular chamber for housing subscriber terminations at customer demarcations.

The Underground Chamber can be used as a connection point for Microduct Links. Minimizing the effort and investment required to convert a network from homes passed to Homes Connected.

Product Information



Technical Information

Product Color	Black PP Gloss
Temperature, Operation [°C]	-45 to 90
Temperature, Storage [°C]	-45 to 90
Temperature, Installation [°C]	-45 to 90

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Subscriber Underground Access Chamber - 250mm

HEXATRONIC

Conformance

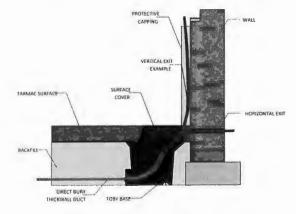
Able to withstand loads of up to 5.5kN in accordance with BS 5834-2 testing. Exceeding requirements for a Grade C lid.

Custom Logo Marking available on request

Marking

Technical Details





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Networks		NC	DT TO SCALE	-		PAGE# 27

Subscriber Underground Access Chamber - 250mm

HEXATRONIC

Articles

Article name

color Dimensions from Subscriber Underground Access Chamber Black 256W255L × 128Dmm 0.7 ENPP-T8Y-BOX

weightheight

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